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FINANCIAL TIMES

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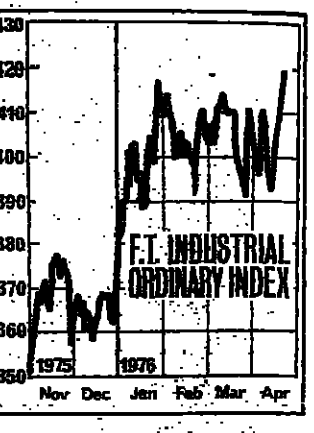
...WS SUMMARY

...lex reaches ...-month peak

...share index broke a 29-month peak ...it closed 4.8 higher ...ts highest since ...12, 1973.
...has gained nearly ... so far this year. ...re index, on the ...has been held back ...ng Financial Group ... At 171.05, it is ...ain of about 8 per ...he end of 1975.
...as very thin, with ...ill uneasy because ...weakness awaiting ...promise on the ...'s wages policy.
...rket has been ...y optimistic busi...'s and some very ...statements from ...panies. The sharply ...larch trade figures ...aged a little more ...erest which was sufficient in a market short of stock to push the index to its new peak.



GILTS were dull. GOLD shares had a good day. The Gold Mines index rose 13.1 to 169.5.

...e ...cked ...ll

...Anne cracked a ...en her horse fell ...rday during riding ...rweston, Dorset. ...nocked unconscious ...the night in Poole ...pital for observation. ...k Phillips, her hus... could not "see any ...she should not be ...t the week-end."

...ublin ...banned

...vernment last night ...Provisional IRA's ...ded demonstration ...he centre of Dublin ...Page 11. The ...land Office has said ...l against a £20,000 ...rd to Mr. Thomas ...r of a former IRA ...gunshot injuries ...ears ago in a feud ...blican factions.

...pledge

...senior doctors in ...gion to-day and to... ...not alter the ...determination to ...ate practice from ...Health Service, ...id Ennals, Social ...tary. Back Page.

...apers

...ged in connection ...ng Harold Wilson' ...rice Donald Henn ...l Wafai, were yes... ...tted for trial to ...' due to "public ... case."

...ndits with machine ...lean getaway after ...(£0.93m.) from ...kmakers.

...o assassinate the ...ione Perolisera in ... yesterday. He ... serious gunshot ...6

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BUSINESS

Pound falls to $1.8415 in late dealings

● STERLING fell quite sharply in late dealings after the Scottish TUC rejection of a 3 per cent. pay limit. The pound's weighted depreciation widened to 36.9 (36.7) per cent. Against the dollar, after touching $1.8495, the pound fell to $1.8415, a fall of 70 points. The dollar weakened; its weighted fall widened to 1.80 (1.73) per cent. Back Page

● GOLD fell $½ to $127¼ in quiet trading.

● WALL STREET closed 7.56 higher at 1,011.02 on continued optimism at recent economic indicators.

● U.S. TREASURY bill rates at this week's auction were: Threes 4.763 (4.803) per cent.; and Sixes 5.089 (5.068) per cent.

● WEST GERMAN Federal Cartel office is investigating allegations of illegal price-fixing and rebate systems in the aluminium market. Page 7

● OIL MINISTERS of the Organisation of Petroleum Exporting Countries met in secret in Geneva yesterday to discuss differences in pricing policies. The meeting, expected to last two or three days, is surrounded by strict security.

No growth in retail sales

● RETAIL SALES in the U.K. last month fell slightly from February, according to preliminary Government estimates. The January improvement appears to have been shortlived. Back Page

● MR. PETER PARKER, chairman designate of British Rail, is to be allowed to retain two non-executive directorships—at Rackware and H. Clarkson and Co. (Holdings)—for a year when he takes up his new post on September 12. Men and Matters, Page 18

● TAYLOR WOODROW Construction has won a £130m. NCB contract to extract 12m. tons of coal from a Northumberland opencast site. Page 9

COMPANIES

● ALLIED BREWERIES is not to take up Trust House Forte shares offered to it under the current rights issue. Its holding will fall to about 21.6 (26) per cent. Back Page and Lex

● DELTA METAL pre-tax profits fell to £11.63m. (£26.35m.) on almost static sales of £339.43m. The Board expects an appreciable recovery this year. Page 22 and Lex

...E CHANGES YESTERDAY

...unless otherwise ...ated.)
...IES

......	85 + 6	Revertex	88 + 4
...it ...	193 + 5	Reyrolle Parsons	131 + 4½
......	378 + 3	Sime Darby	107 + 3
...t ...	38½ + 4½	Stenhouse	108 + 4
...ic ...	101 + 5	Taylor Woodrow	286 + 8
...	183 + 5	Tilling (T.)	87 + 4
......	125 + 7	Tokengate Invs.	52½ + 9½
......	454 + 8	Triplex Foundries	65 + 5
......	111 + 5	UDS	87 + 4
...ghal	330 + 12	United Carriers	37½ + 4½
......	336 + 16	Weyburn Eng. xr	245 + 18
......	78 + 5	Guthrie	197 + 10
......	62 + 12	Sunningdale Oil	905 + 60
...v ...	17 + 3	Bougainville	134 + 8
......	268 + 8	Charter Cons.	168 + 11
......	60½ + 4½	De Beers Dfd.	219 + 10
......	184 + 6	East Drie.	750 + 50
...	28 + 6	Loraine	108 + 22
...	120 + 7	Palabora	820 + 70
		Pot. Plat.	170 + 12
		St. Helena	£15 + 1½
		Selection Trust	365 + 40

Smallest increase in earnings levels since July 1974

BY MICHAEL BLANDEN

The Government's pay policy has continued to cut the growth of wages and earnings in industry, according to the latest figures published by the Department of Employment.

Over the 12 months to February, average earnings rose by 19 per cent., the smallest increase since July 1974.

This compares with an increase of 20.7 per cent. in the year to January, and represents a renewal of the steady downtrend in the growth of earnings since the £6 limit was introduced in August.

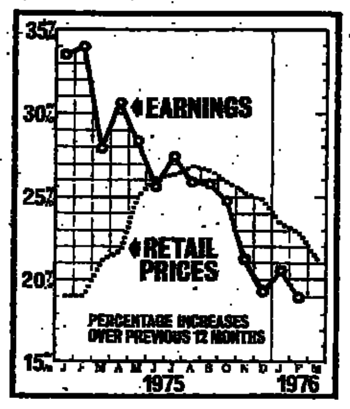
For the first time, moreover, the restraints have begun to make a significant impact on the level of basic wages, which have so far been less responsive to the counter-inflation policy than earnings.

Over the 12 months to end-March the index of basic weekly wage rates—which is a month more up-to-date than the earnings figure—showed an increase of 22.9 per cent. This is a sharp drop from the 12-month rise of 27.3 per cent. recorded the previous month and the lowest rise since September 1974.

The results of the incomes policy so far underline the importance placed by the Chancellor on negotiating stringent new pay controls.

The Government feels that the controls have already made a substantial contribution towards the reduction of inflation. By August, when the present phase of restraints comes to an end, it is thought that the rate of increase in earnings over a 12-month period could be down to 13 per cent.

This would mean that the growth of earnings would be about halved from the level of almost 26 per cent. recorded in August last year.



It is estimated that some 13m. workers, about 60 per cent. of the total workforce, have now concluded pay agreements within the terms of the £6 limit.

The figures also underline the short-term impact of the pay limit on living standards, with the level of earnings continuing to lag behind the rate of increase in retail prices. The 19 per cent. rise in average earnings in the year to February compares with rises in the cost of living index of 22.9 per cent. over the same period and 21.2 per cent. in the year to March.

While domestic policies appear to be still on target, external influences may prevent the Government achieving its aim of cutting price inflation to single-figure rates by the end of this year.

The impact of the fall in the value of the pound and the continuing rises in commodity prices could push up industry's costs to a level which will partly counteract the lower rise in domestic wage costs.

Last month, the index of basic weekly wage rates rose by only 0.7 per cent.—from 205.1 in February to 206.5 (July 31, 1972=100).

The wages index has shown little reaction to the pay restraints until now, partly because it has continued to be influenced by earlier settlements, particularly in the engineering industry.

This index covers only manual workers, and settlements during the period of the pay policy have tended to be for lower-paid workers for whom a £6 rise represents a relatively bigger proportionate increase.

It is doubtful, though, whether the sharp drop in the year-on-year rate of increase in wage rates last month to 22.9 per cent. will be followed by a continuing downtrend on the same scale.

The earnings index is more sensitive since it reflects a wider range of employment and takes into account the effects of the economic recession on overtime working as well as actual wage rates.

In February, the latest figures available for this index, the figure increased by 0.4 per cent. from 248.8 to 249.7 (seasonaly adjusted; January 1970=100).

French Plan seeks high growth to create jobs

BY ROBERT MAUTHNER

PARIS, April 21.

THE DRAFT for the seventh French five-year plan for the period 1976 to 1980, adopted by the French Cabinet to-day, puts the emphasis on a high growth rate as the only means of ensuring full employment.

The plan argues that its target of an average annual growth of GNP of 5.5 to 6 per cent. over the next five years is not only desirable, but compatible with bringing down inflation from its current level of more than 9 per cent. to less than 6 per cent. a year.

Other major objectives include a return to a balanced trade account with a target of a Frs.10bn. (about £1.2bn.) surplus by 1980, a growth of 18 to 19 per cent. in industrial investment by the end of the decade and the creation of more than 1m. new jobs to absorb the growing labour force.

Although the seventh plan, as distinct from its predecessors, does not attempt to lay down detailed targets or programmes for all the major sectors of the economy, in keeping with President Giscard d'Estaing's more pragmatic approach to managing the economy, it has singled out certain areas for "priority action."

The Government will devote more than Frs.200bn. to measures under six main headings: reinforcing the dynamism of the economy, restoring the balance of payments, ensuring full employment, reducing social inequalities, improving the quality of life and promoting scientific research.

By far the biggest single item of expenditure, some Frs.94bn. will be devoted to modernising France's out-of-date telephone system. The number of lines will be more than doubled, from 7m. in 1975 to 15m. in 1980, a programme which will create as many as 90,000 new jobs.

Other major schemes include the economic development of the west, south-west and Massif Central regions with the construction of 1,800km. of motor ways and improvement of railway lines, a programme which will cost an estimated Frs.5.8bn., construction of waterways to link the north with the Mediterranean, economic development of overseas departments and financial aid to small companies.

A part of its efforts to restore the trade balance, which has gone into deficit again this year after a large surplus in 1975, the government will spend Frs.3.8bn. on promoting exports, both in the form of aid to exporting companies and the improvement of official export services.

More than Frs.10bn. has been earmarked to improve the employment situation, some Frs.29bn. to reduce social inequalities by the creation of new educational facilities, the building of low-cost housing and the improvement of legal services for low income groups, while Frs.24bn. will be spent on measures to improve the quality of life, including modernising hospitals, building towns and improving road safety measures. More than Frs.10bn. has been earmarked for the development of scientific research.

One of the central themes of the plan, which will now be submitted to the National Assembly, is that a growth rate aimed at creating enough jobs to absorb the currently high number of unemployed is not sufficient in itself.

A real effort must be made over the coming five years to improve the general working environment.

Leyland launches sales drive as Arab boycott is lifted

BY TERRY DODSWORTH, MOTOR INDUSTRY CORRESPONDENT

BRITISH LEYLAND is to begin an immediate drive to establish a distribution network in Arab countries of the Middle East following confirmation yesterday that after years of effort the company has been removed from the Arab boycott.

Already the company has been inundated with requests for its franchise from distributors throughout the region, alerted by earlier rumours from Cairo of a reversal in the Boycott Office policy.

The change of policy removes the stumbling block that has for the last five years confronted BL in one of the healthiest and most buoyant markets in the world automotive industry. Although sales have shaded off slightly from the boom conditions of the last two years, the market remains highly promising, particularly for specialised products like the Land-Rover and the earth-moving and construction equipment made by the Special Products group.

Even during the operation of the boycott, British Leyland managed to keep links with many Arab States through sales of the Land-Rover, which has become a vital military vehicle in several armies. Last year the company sold about 15,000 Land Rovers—almost a third of total exports—in the Middle East.

The problem BL faces in raising exports, however, is its limited Land-Rover capacity. Although this has been gradually raised to 52,000 units last year, the company could still sell many more vehicles than it makes, and has lost out heavily to Toyota in world markets over the last five years.

Toyota, producing 22,000 Landcruisers a year only five years ago, has built up capacity to about 70,000, and sold about 10,000 units in Saudi Arabia alone last year. Leyland also faces a new threat from Mercedes, which is expected to have a similar vehicle in production by the middle of next year, and has a well established distribution system in the Middle East.

Given reasonable supplies, however, BL believes that it could build up sales in the Middle East (including Turkey and Iran, two of its best overseas markets) from about £130m. last year to £200m. within the next 12 months. (The company suffered a new blow to car production yesterday when all Mini production was halted: P.16.)

In the immediate future it will have to decide on the priority markets — likely to be Libya, Saudi Arabia, Iraq and Syria — and sort out the distribution arrangements, complicated because many present agreements go back to the days before the BMC-Leyland merger.

Ideally it would like to rationalise the system under single national organisations responsible for the range of Leyland products.

In the longer term, the group intends to sell its full range of products, including most of its car range, in the Arab world.

Several projects for more local assembly plants for both trucks and Land-Rovers are envisaged and will no doubt be taken up once again. On Land-Rovers BL is still holding the door open to the much-discussed project to build 10,000 units a year in Egypt, now dependent on a decision from Cairo. But it is unlikely that this will deter the company from discussions with other interested Arab countries such as Algeria, which is one of the best Land Rover markets.

Saudis "disappointed" Page 4

Big fall in rate of U.S. price rises

By Jurek Martin, U.S. Editor

WASHINGTON, April 21.

AMERICAN consumer prices rose by only 0.2 per cent. last month, seasonally adjusted.

This means that for the first quarter of the year the cost of living has only risen at an annual rate of 2.9 per cent., the smallest three-month rise in nearly four years and well below the 7 per cent. a year quarterly increase prevalent throughout 1975.

Given the recent softness of food and fuel prices, the figures were no surprise. Last Monday, the Administration announced that the rate of inflation, as measured by the Gross National Product deflator, had fallen to an annual rate of 3.7 per cent. in the first three months of the year from the 6.8 per cent. of the preceding quarter.

The combination of the GNP figures—showing a 7.5 per cent. a year growth in the first quarter in real terms—and those on consumer prices, constitute the culmination, for the moment, of a series of excellent economic—and therefore political—news for the Ford Administration.

Accepted

It is accepted inside the Administration that the inflation picture will not remain as favourable as it largely is now.

In March, the food index dropped 8.8 per cent., seasonally adjusted, while the motor oil and gasoline index fell by 1.7 per cent.

However, the major oil companies have in the last couple of weeks begun to raise the price of petrol by a cent or two, with the expectation of more modest increases to follow. Food prices will probably firm up later in the summer.

Thus it is likely that in the months ahead, lower food and fuel prices will not be able to offset increases in other parts of the index to the extent that they have in the first quarter.

Commodities other than food, for example, rose in price by 8.3 per cent. in March. But the services index rose by a sharper 0.7 per cent. with the cost of transportation and medical care by substantially more than the average.

New orders for durable goods rose $2.9bn., or 6.5 per cent., in March, to a seasonally adjusted $47.9bn. following a four per cent. increase in February, the Commerce Department reported.

Shipments increased by 3.3 per cent. or $1.5bn. to $47.2bn. and unfilled orders increased $715m. to $114.2bn.

More support for Labour's wage policy

BY CHRIS BAUR AND ROY ROGERS

THE CHANCES of the TUC and the Government reaching agreement on a fresh period of voluntary wage restraint improved yesterday when the Scottish TUC ditched its traditional militant stance of opposing any form of statutory or voluntary incomes policy.

For the second day running, STUC moderates defeated militants, led by Mr Mick McGahey, who were seeking a return to free collective bargaining. STUC delegates at the Perth conference also fell into line with TUC leaders by rejecting the Government's Budget offer of a 3 per cent norm with tax concessions, but seeking further talks.

Delicate negotiations between TUC leaders and Mr. Denis Healey, the Chancellor of the Exchequer, are to resume to-night or to-morrow. The Prime Minister is expected to enter the debate in a key speech to the Union of Shop, Distributive and Allied Workers' conference at the week-end.

Further developments are expected on Monday when TUC leaders and Ministers meet on the TUC-Labour Party liaison committee in advance of a special TUC economic committee meeting later that day and a general council meeting two days later.

Mr. Callaghan will address the USDAW conference, the first major union conference of the summer, on the eve of the union's pay debate. The traditionally moderate union is to discuss calls rejecting further pay restraint, but is expected to maintain the moderate line personified by Lord Allan, USDAW general secretary, who is also chairman of the TUC economic committee and a long standing advocate of the social contract.

Scottish TUC delegates yesterday voted by a 1,049-717 card vote to reverse their view towards pay restraint, which until now has been so firmly embedded on the Scottish organisation's agenda that it has been accepted virtually on the nod for the last two years running.

Mr. McGahey: Defeated, despite his warning of "blind loyalty" to the Government.

But the switch was not unexpected. From the start of the proceedings, moderate unions had been winning preliminary skirmishes on incomes policy, first in the STUC general council and latterly on the floor of conference itself.

Left-wingers have been consistently outvoted on the issue by the combined strength of the transport workers, the engineers

Continued on Back Page
Scottish devolution Page 11

FEATURES

ON OTHER PAGES

For latest Share Index 'phone 01-246 8026

Ports forecast good export prospects

BY ARTHUR SMITH, INDUSTRIAL STAFF

GOOD PROSPECTS for Britain's exporters are forecast by the National Ports Council in a study of U.K. foreign trade.

Despite the finding that U.K. trade will grow more slowly and will be little higher by 1980 than it was in 1973, the council finds cause for optimism.

"Our market research suggests that industry has taken the economic recession in its stride and is determined to press ahead with export plans," Mr. R. E. Baxter, director of economics and statistics, said last night.

The study forecasts that the total tonnage of U.K. international trade in 1980 will be 286m. tonnes—only 4m. tonnes higher than in 1973. However, 1973 was a boom year and port traffic dropped 2½ per cent. in 1974 and a further 12 per cent. last year.

Moreover, by 1980 less fuel will be imported as Britain's own oil should be on stream: trade on fuels is expected to total 148m. tonnes compared with 164m. tonnes in 1973.

Trade in commodities other than fuels will increase at an annual rate of 2.2 per cent. for the period 1973-80, and 3.2 per cent. in 1980-85, an overall rise from 118m. tonnes to 162m. tonnes. The comparable growth in the seven years 1966 to 1973 was 4.6 per cent. a year.

The report indicates that the share of U.K. trade with the EEC will continue to increase at the expense of areas such as North America and Australia.

The clear implication is that prospects for ports on the South and East Coasts trading with Europe will be brighter than that of ports such as Liverpool and Bristol—though the West Country authority will be cushioned by the likelihood of increased trade in forest goods with North America.

The report forecasts that trade in a number of bulk commodities, such as cereals, animal feedingstuffs, and certain forest products will be lower in 1980 and 1985 than in 1973. But it is estimated that this will be more than offset by increased imports of iron ore, and increased trade in crude minerals.

U.K. International Trade 1980-1985; National Ports Council, Commonwealth House, 1-19, New Oxford Street, London WC1A 1DZ; £35.

Imported vehicle lamps 'providing unfair profits'

BY JAMES McDONALD

THE LIGHTING Industry Federation believes there is a good case for the prohibition of imports of vehicle lamps from the Far East and the Eastern Bloc, Mr. S. H. Brain, federation president, said in London yesterday.

Normally home manufacturers supplied all the lamps used in U.K. vehicle production, as these had to comply with British Standard 941. When replacements were needed, though, "home manufacturers are competing with lamps from the Eastern Bloc and the Far East and their bulbs do not have to comply with any British Standard.

"The motorist is unaware of the difference, particularly as the prices are the same."

Imported lamps from the Far East, he claimed, were landed at between 2.3p and 2.9p each, with prices of Eastern Bloc lamps ranging from 3.8p to 8.4p.

"In most instances these figures are below the U.K. manufacturers' raw material costs. The price to the consumer for both local and imported lamps is the same, so somewhere along the line a handsome profit is being made at the expense of British manufacturers."

It would seem, however, that a handsome profit is also being made from the motorist on these bulbs—both home- and foreign-produced. A spokesman for a big British producer estimated that brake or indicator lights were selling in a competitive retail trade at between 25p and 40p.

Mr. Brain said household lamps were also being imported at prices generally below the raw material costs of the British lamp industry, but sold at prices comparable to U.K. products.

"This appears to be a further instance of large profits being made at the expense of the industry at a time when it has had to reduce its labour force by 3,000 over the past two years."

Two weeks ago the Department of Trade told the industry that it had powers to deal urgently with threatened dumping situations, said Mr. Brain. "To this end we are supplying the department with all the information we have."

'V' badge for vandals

Vandals should be made by law to walk around wearing a large letter "V" on their backs, urges Mr. Nicholas Fairbairn, Conservative MP for Kinross and West Perthshire. He has written to Mr. Roy Jenkins, Home Secretary, asking him to change the law and add this "shaming" punishment to those that magistrates can already impose for vandalism.

RACING — BY DOMINIC WIGAN

Memory Lane for Elizabeth

MEMORY LANE, an own sister to Mill Reef, can stake claims to Oaks consideration by landing to-day's Princess Elizabeth Stakes at Epsom.

Mr. Paul Mellon's attractive brown filly looked to be a high-class performer in the making at Sandown last May when defeating Enchanted a shade cleverly, by three-quarters of a length, on her racecourse debut. She confirmed that promise after a long lay-off when finishing third behind Royal Boy and Homeboy in the Mill Reef Stakes at Newbury in September.

A strong quartered filly with a beautiful action, Memory Lane should be well suited to this mile and 110 yards trip, which sets such a premium on balance and manoeuvrability.

In what promises to be an informative trial I hope to see Memory Lane, who will be accompanied to the post by another of Mr. Mellon's Ian Balding-trained fillies, Drop of a Hat, score at the main expense of the highly-rated Ferrybridge.

Lester Piggott, who partners Ferrybridge for Mrs. Gwen Murless, has been secured by John Sutcliffe for that top-class juvenile of 1974, Streak, in the Ladbroke Club Handicap, and this course winner seems likely to start a firm favourite.

Although Streak may well prove up to giving 6 lb to his stablemate, Le Vingt-huit, I doubt him successfully conceding 3 lb to Turnkey.

A good third behind Saritamer and New Model in Newmarket's July Cup two seasons ago, Turnkey has since proved something of a disappointment. However, he has been striding out well in recent work at Findon, and with the fast conditions that he relishes this handsome son of Tudor Melody could provide the answer at attractive odds.

A year ago, Piggott landed the Dean Swift Handicap with Asdic, and I shall be surprised if he cannot take the corresponding event again—this time through Ahdeek, trained by his brother-in-law, Robert Armstrong. Ahdeek, a half-brother to that top-class racehorse, and sire in the U.S., Tom Rolfe, ended last season by decisively accounting for Sea Gunner at Brighton, and he has done well over the close season.

EPSOM
2.00—Heckle
2.35—St. Severin
3.10—Memory Lane**
3.40—Turnkey*
4.15—Ahdeek***
4.45—De Milo

LANARK
2.15—Raver
2.45—Ceppo
3.15—Vilgora

WORCESTER
2.00—Mighty Marine
2.30—Alamein

Divided Britain must 'pull together,' says Philip

BRITAIN IS like a soccer team with 11 coaches sitting on the bench and one player trying to compete with the opposition, Prince Philip said yesterday.

"I think we ought to reverse this situation," he said in an interview with BBC radio disc jockey Jimmy Young.

The country's present troubles were partly due to its early industrial success which had now peaked. Britain should now "reassess and reorganise."

"This sort of thing has been going on throughout history. We have never been at the top all the time."

The Duke said Britain had "tremendous latent intelligence and skill," but there was a lack of co-operation. The country had become "slightly divided." People were pulling in different directions instead of together.

It was "a little embarrassing going abroad at the moment because I tend to get the complaints." Some said they were delighted with British goods, but others complained to him about lack of service, failure to meet delivery dates and specifications. They did not appreciate that in many cases the manufacturer was not responsible and it had happened "down the line" to the customer.

Prince Philip did not believe the country had become defeatist. "But it's very difficult to know what to do. You can't run inflation at a rate which is far higher than any of our competitors and pretend that you're not in trouble."

Thames TV series tipped for U.S. awards

JENNIE, Lady Randolph Churchill, Thames Television's dramatisation of the life of Winston Churchill's American Mother, has been nominated for six Emmy awards by America's National Academy of Television Arts and Sciences.

The seven-part series, seen over the entire American public network at the end of last year, has already won for its star Miss Lee Remick a golden globe from the Hollywood Foreign Press Association and for its director, Mr. James Cellan Jones, a best director award from the U.S. Directors' Guild.

Miss Remick and Mr. Cellan Jones are among the Emmy nominations, which also recognise the achievements of writer Julian Mitchell, designers Michael Hall and Fred Pusey and costume designer Jane Robinson. The programme is also among the nominations for best limited run series.

Chandeliers fetch £18,000 at Sotheby's

BY ANTONY THORNCROFT

CONTINENTAL FURNITURE fetched £168,488 at Sotheby's Belgravia auction room yesterday in the first major art sale after the Easter break.

An extraordinary high price of £18,000 (plus the 10 per cent. buyers premium) was paid for a pair of French ormolu chandeliers made in the middle of the 19th century to hang in Londonderry House, Piccadilly.

They were bought by Emanouel, the London dealer, perhaps for the Iranian market, at a price well above the forecast of £5,000-£10,000.

Another good price was the £16,000 paid by the same dealer for an elaborate Viennese enamel mounted ebonised bureau cabinet of around 1880.

There was a full saleroom with many Continental buyers and only 1.82 per cent. of the sale was "bought in."

LORD NELSON AT SYMPOSIUM

Lord Nelson of Stafford, chairman of the General Electric Company and past president of the Institution of Electrical Engineers, will give the opening address at the symposium entitled "Reviving the U.K. economy—what can automation offer?" next Tuesday at the IEE, Savoy Place, London.

TV/Radio

★ Indicates programme in black and white.

BBC 1

7.05 a.m. Open University (UHF only). 10.05 The Wombles. 10.10 Jeannie (cartoon). 10.30 The Dipper and the Water Shrew. 10.50 Deputy Dawg. 12.35 p.m. On The Move. 12.45 News. 1.00 Pebble Mill. 1.45 Fingerbobs. 3.58 Regional News (except London). 4.00 Play School. 4.25 Barbapapa. 4.30 Jackanory. 4.45 Blue Peter. 5.10 John Craven's Newsround. 5.20 Boss Cat (cartoon series).

5.45 News.
6.00 Nationwide.
6.55 To-morrow's World.
7.20 Top of the Pops.
8.00 Are You Being Served?
8.30 The Burke Special.
9.00 News.
9.25 Holiday On Ice.
10.10 Omnibus in Hollywood: The Goldwyn Touch.
11.15 To-night.
11.50 Weather/Regional News.

All regions as BBC 1 except at the following times:

Wales—5.20-5.45 p.m. Bilidowcar. 6.00-6.55 Wales To-day. 6.55-7.20 Heddiw. 8.30-9.00 Blodeugerdd. 10.10-10.35 An Artist to the Coalface: Jack Crabtree. 10.35-11.15 Rygbi: West Wales RU Cup Final. 11.50 News for Wales.

Scotland—6.00-6.55 p.m. Reporting Scotland, including 6.20-6.35 Scottish TUC Report. 11.50 News Summary for Scotland.

Northern Ireland—3.58-4.00 p.m. Northern Ireland News. 6.00-6.55 Scene Around Six. 11.50-12.10 a.m. The Sky At Night. 12.10 News for Northern Ireland.

England—6.00-6.55 p.m. Look North (from Leeds, Manchester, Newcastle); Midlands To-day (from Birmingham); Look East (from Norwich); Points West (from Bristol); South To-day (from Southampton); Spotlight South West (from Plymouth).

BBC 2

6.40 a.m. Open University.
11.00 Play School.
5.00 p.m. Open University.
7.05 The Health Show.
7.29 Weather.
7.30 Newsday.
8.00 Menuhin: celebration of his 60th birthday.
9.30 The Man Alive Report.
10.20 End of the Game.
10.50 Just a Year since the Birmingham pub bombs exploded: how victims have adjusted.
11.50 Newsnight.
11.55 Closedown: Ronald Pickup reads "A Fledgling in the House," by Patric Dickinson.

LONDON

9.30 a.m. Out of School. 11.00 Cartoon Time. 11.10 Skippy. 11.35 Inner Space. 12.00 The Music Man. 12.10 p.m. Pipkins. 12.30 Money Wise. 1.00 First Report: News, FT index. 1.20 Lunchtime To-day. 1.30 Couples. 2.00 Good Afternoon. 2.30 Racing from Epsom. 3.55 General Hospital. †4.25 Children's Film Matinee: "Carry On Teacher," starring Ted Ray, Kenneth Connor and Kenneth Williams.

5.50 News from ITN.
6.00 To-day.
6.35 Crossroads.
7.00 The Six Million Dollar Man.
8.00 Bless This House.
8.30 Clayhanger.
9.30 This Week.
10.00 News.
10.30 Help!
10.35 Thursday Thriller: "The Strange Affair," starring Michael York and Susan George.

All ITV regions as London except at the following times:

ANGLIA

11.00 a.m. The Woody Woodpecker Show. 11.30 Down Memory Lane. 1.25 p.m. Anglia News. 2.00 Women Only. 4.25 The Romper Room. 4.55 Spiderman. 5.20 Castaway. 6.00 About Anglia. 6.20 Arena. 7.00 Cash and Company. 10.30 Now and Then. 11.00 Comedy Hour. 11.55 An Easter Reading.

ATV MIDLANDS

11.00 a.m. The Rules of the Game. 11.25 Survival. 11.50 David Hand Cartoon. 1.20 p.m. ATV Newsdesk. 4.25 The Lone Ranger. 4.50 Time Tunnel. 6.00 ATV Today. 7.00 The Magician. 10.30 Gardening Today. 11.00 Police Story. 11.55 Sister Joan Lewis.

BORDER

11.00 a.m. Cartoon Time. 11.05 Here Comes the Future. 11.35 Down Memory Lane. †1.20 p.m. Border News. †4.25 Children's Matinee: "The Ghost Train." 6.00 Border News and Lookaround. 7.00 Movin' On. 10.30 Gardening Today. 11.00 Journey to the Unknown. †11.55 Border News Summary.

CHANNEL

1.20 p.m. Channel Lunchtime News and What's On Where. 4.25 Children's Matinee: "The Frozen Limits." 6.00 Channel News. 6.10 Wildlife Theatre. 7.00 Combat. 10.30 Randall and Hopkirk (Deceased). 11.00 Firehouse. 11.30 News and Weather in French.

GRAMPIAN

11.30 a.m. Regional Documentary ("Down Memory Lane"). 1.20 p.m. Grampian News Headlines. 4.25 Tarzan. 5.20 Wonder Weekly. 6.00 Grampian Today. 10.30 The Odd Couple. 11.00 Second Profile. 11.30 Evening Prayers.

GRANADA

11.00 a.m. History Around You. 11.15 The New Adventures of Superman. 11.35 Untamed World. 1.20 p.m. This Is Your Right. 4.25 Survival. 4.50 The Flintstones. 5.15 Dodo. 5.20 Crossroads. 6.00 Granada Reports. †6.30 Command Performance. 10.30 Shaft. 11.55 Inner Space.

HTV

11.30 a.m. Down Memory Lane. 1.20 p.m. Report West Headlines. 1.25 Report Wales Headlines. 2.00 Women Only. 4.25 Tell Me Why. 4.50 Sky. 5.25 Crossroads. 6.01 Report West. 6.18 Report Wales. 6.35 The Best in the West. 7.05 The Magician. 10.30 Sailing Above the Alps. 11.00 The Late Film: "The Hand of Night."

HTV Cymru/Wales—As HTV General Service except: 1.20-1.25 p.m. Penawdau Newyddion Y Dydd. 4.25-4.50 Ble Yn Y Byd . . . ? 6.01-6.18 Y Dydd. 6.35-7.05 Sports Arena.

HTV West—As HTV General Service except: 1.20-1.30 p.m. Report West Headlines. 6.18-6.35 Sport West.

SCOTTISH

11.00 a.m. Exeter. 11.30 Down Memory Lane. 1.25 p.m. Road and Weather Report. 2.00 Women Only. 4.25 Tarzan. 5.20 Professor Kitzel. 5.25 Crossroads. 6.00 Scotland Today. 6.30 Garnock Way. 10.30 Drive-In. 11.00 Late Call. 11.05 The Collaborators.

SOUTHERN

11.00 a.m. Dusty's Trail. 11.25 Sylvester and Tweetie Pie. 11.35 Down Memory Lane. 1.20 p.m. Southern News. 2.00 Houseparty. 4.25 Tarzan. 5.20 Caveman Inki. 5.25 Crossroads. 6.00 Day By Day. 6.35 University Challenge. 7.05 Island of Adventure. 10.30 The Late Thursday Film: "Stiletto," starring Britt Ekland. 12.15 a.m. Southern News Extra.

TYNE TEES

9.25 a.m. Starting Point. 11.00 Manfred. 11.10 Fantastic Voyage. 11.35 Down Memory Lane. 1.20 p.m. Lunchtime News and Lookaround. 2.00 Women Only. 4.25 Lassie. 4.50 Beachcombers. 5.20 University Challenge. 6.00 Today At Six. 7.00 Emergency. 10.30 Boney. 11.30 Epilogue.

ULSTER

11.30 a.m. Down Memory Lane. 1.20 p.m. Ulster News Headlines followed by Lunchtime. 4.23 Ulster News Headlines. 4.25 Tarzan. 5.20 Tell Me Why? 6.00 UTV Report. 7.00 The Big Valley. 10.30 Sweet Dreams Baby. 11.00 What's It All About.

WESTWARD

11.00 a.m. The Beachcombers. 11.30 Documentary (Down Memory Lane). 12.25 p.m. Gus Honeybun's Birthdays. 1.20 Westward News Headlines. †4.25 Children's Matinee: "The Frozen Limits," starring The Crazy Gang. 6.00 Westward Diary. 7.00 Combat. 10.30 Westward Report. 11.00 Firehouse. 11.30 Westward Late News. 11.33 West Country Job Finder. 11.40 Faith For Life.

YORKSHIRE

11.05 a.m. Inner Space. 11.35 Woobinda. 1.20 p.m. Calendar News. 4.25 Thunderbirds. 5.20 University Challenge. 6.00 Calendar. 7.00 Emergency! 10.30 Emmerdale Farm. 11.25 Drive-In.

RADIO 1 — 247m

6.00 a.m. As Radio 2. 7.00 Noel Edmonds. 9.00 Tony Blackburn. 11.00 Paul Burnett with The Radio 1 Roadshow from Chamberlain Place, Birmingham. 12.30 p.m. Newsbeat. 12.45 Johnnie Walker including this week's new Top 30 LP discs. 2.02 David Hamilton (S) (also on VHF). 4.30 It's DLT OK! 5.45 Newsbeat. 6.02 Sam Costa (S) (joins Radio 2). 11.00 John Peel (S) (also on VHF). 12.00-12.05 a.m. As Radio 2.

RADIO 2 — 1,500m and VHF

6.00 a.m. News Summary. 6.02 Colin Berry (S) including 6.15 Pause for Thought. 7.02 Terry Wogan (S) including 8.27 Racing Bulletin. 8.45 Pause for Thought. 9.02-11.30 Pete Murray's Open House (S) including 10.30 Waggoners' Walk. 11.30 Jimmy Young (S). 1.55 p.m. Good Listening (VHF). 2.02 David Hamilton (S) as Radio 1, but including on 1,500m. only (also 200m. Scotland) 2.45 Sports Desk, Racing from Epsom and 3.45 Sports Desk. 4.30 Waggoners' Walk. 4.45 Sports Desk. 4.47 Sam Costa (S) including 5.45 Sports Desk. 6.45 Sports Desk. 7.02 Support Your Local. 7.30 David Allan's Country Club (S). 9.02 Both Sides Now (S). 10.02 Sports Desk. 10.05 Folkweave (S). 11.02 Don Durbridge, with The Late Show (1,500m. only, also 202m. Scotland. VHF joins Radio 1). 12.00-12.05 a.m. News.

RADIO 3 — 464m, Stereo & VHF

† Medium Wave only

7.00 a.m. News. 7.05 Overture (S). 8.00 News. 8.05 Morning Concert (S). 9.00 News. 9.05 This week's composers: The late Venetians (S). 9.55 Bernard van Dieren: discussion (S). 11.40 Song Recital (S). 12.15 p.m. Midday Concert, part 1: Bax, Hans Gal (S). 1.00 News. 1.05 Midday Concert (S). 1.45 Sweelinck harpsichord recital (S). 2.10 "Mary Stuart," tragic opera in three acts, music by Donizetti, Acts 1 and 2 (S). 3.25 Tracking Down a Forgotten Librettist (talk). 3.35 "Mary Stuart," Act 3. 4.55 Bandstand (S). 5.25 Pied Piper (S). †5.45 Homeward Bound. †6.05 News. †6.10 Homeward Bound (continued). †6.30 Lifelines: The Wider World. 7.30 Live from Salzburg, part 1: Britten, Mozart (S). 8.25 Current Trends in Philosophy. 8.45 Concert, part 2: Brahms (S). 9.35 From a Newgate Calendar. 10.05 Indian Vocal Music (S). 11.25 News.

Radio 3 (VHF only)—6.00 to 7.00 a.m. and 5.45 to 7.30 p.m. Open University.

RADIO 4 — 434m, 330m, 285m and VHF

6.30 a.m. News. 6.32 Farming Today. 6.40 Prayer for the day. 6.45 Today, including 6.50 VHF Regional News. 6.55 Weather, programme news. 7.00 News and more of Today including 7.27 Sportsdesk. 7.35 Today's Papers. 7.45 Thought for the day. 7.50 VHF Regional News. 7.55 Weather, programme news. 8.00 News and more of Today including 8.27 Sportsdesk. 8.35 Today's Papers. 8.45 A.M. with A. J. 9.00 News. 9.05 These You Have Loved (S). 10.00 News. 10.05 From our own correspondent. 10.30 Daily Service. 10.45 Morning Story. 11.00 News. 11.05 If you think you've got problems! 11.50 Sketches of Boz. 12.00 News. 12.02 p.m. You and Yours. 12.27 My Music (S). †12.55 Weather, programme news VHF (except London and SE) Regional News. 1.00 The World at One. 1.30 The Archers. 1.45 Woman's Hour, including 2.00-2.02 News. 2.45 Listen with Mother. 3.00 News. 3.05 Afternoon Theatre. 3.50 Jack De Manio Precisely, including 4.00-4.05 News. 4.35 Story Time. 5.00 PM Reports. †5.50 Financial Report. VHF Regional News. 5.55 Weather: programme news. 6.00 News. 6.15 Dad's Army. 6.45 The Archers. 7.00 News Desk. 7.30 Any Answers? 8.00 The Brave. 8.45 The Past Masters: conversation in which Harold McMillan assesses some of his predecessors. 9.30 Kaleidoscope. 9.59 Weather. 10.00 The World Tonight. 10.45 A Book At Bedtime. 11.00 The Financial World Tonight. 11.15 How Many is Too Many? 11.30 News.

BBC Radio London — 206m and 94.9 VHF

6.00 a.m. As Radio 2. 6.30 Susie Barnes with Rush Hour. 9.00 Richard Vaughan with Downtown. 11.03 In Town. 12.03 p.m. Robbie Vincent's Call In including 12.45 London News Desk. 2.03 Nick Handel with 206 Showcase. 4.03 Sound Out. 4.32 Tony Pish with Home Run including 5.00 and 6.00 London News Desk. 7.00 In Town. 8.00 Rail. 8.30 In Concert. 10.03 David Simmons' Late Night London. 12.00-12.05 a.m. As Radio 2.

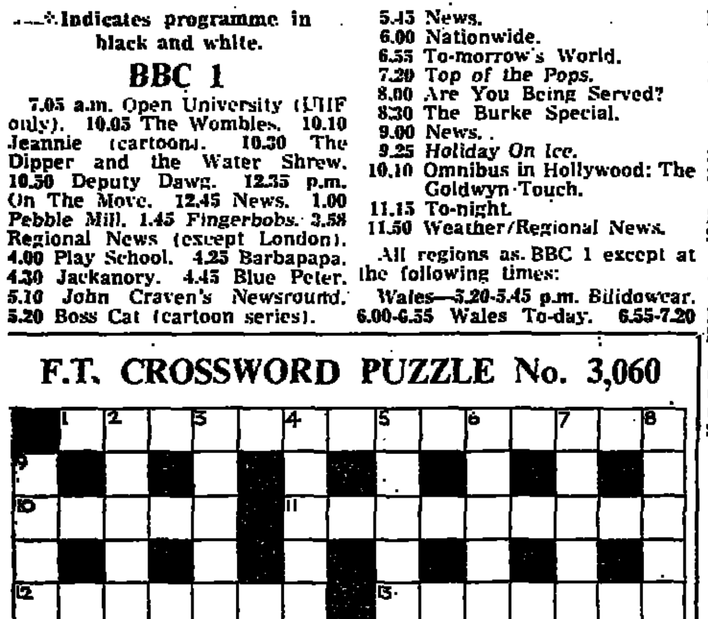
London Broadcasting — 261m and 97.3 VHF

5.00 a.m. Morning Music. 6.00 "AM"—breakfast-time show. 10.00 Brian Hayes. 1.00 p.m. Newswatch. 5.00 Newsbreak. 7.30 Music in Stereo. 9.00 Nightline. 1.00-4.30 a.m. Nightwatch.

Capital Radio — 194m and 95.8 VHF

6.00 a.m. Graham Dene: The Breakfast Show. 9.00 Tony Myall. 12.00 Dave Cash: Cash on Delivery. 3.00 p.m. Roger Scott. 7.00 Jane Walmsley and Bryan Wolfe: London To-day. 7.30 Adrian Love: Open Line. 9.00 Nicky Horne: Your Mother Wouldn't Like It. 11.00 The Late Show. 2.00 Night Flight.

F.T. CROSSWORD PUZZLE No. 3,060



ACROSS

1 Sporting event whose contestants may be all in (9, 5)
10 Arrested during final stage of race (3, 2)
11 Doctor who looks after the Rolls (9)
12 Depreciate a paltry Cockney fowl (7)
13 Notice the Socialist leader boils (7)
14 Old-fashioned so it says (5)
16 Mistake is in pussyfoot becoming a gunman (9)
19 Blind is a great deal more inexpensive (9)
20 Drink what the doctor ordered (5)
22 Rocket launching forces one to walk up (4, 3)
25 Unaffected by white key (7)
27 Calling up eggbead to profession (9)
28 Photograph to get one's teeth into (5)
29 Warder's chance to make James book (4, 2, 3, 5)

DOWN

2 Portrayal of plaster on walls (9)
3 Boy soundly riding at dawn (3, 2)
4 Rotten leg-breaks could leave one glassy eyed (9)
5 Emperor says information is up to us (5)
6 Skips with girls abroad (6, 3)
7 Latecomers at cinema find this illuminating (5)
8 Firm determined to be up against it (4-3)
9 Flower that could die they say on you and me (6)
15 Murphy given a roasting over troublesome problem (3, 6)
17 Stuff to rub on fiddle? Bet it's for quixotic nag (9)
18 Aint never going to modify supply nerve (9)
19 Able to pay debts like this student on opening (7)
21 Visitor fresh to a Scotsman (6)
23 Knock down part of building (5)
24 Glad to go to West-end to pass out (5)
26 Subject made to exceed one hundred (5)

Solution to Puzzle No. 3,059

S	H	O	C	K	I	N	G		D	I	S	A	R	M
H		B		N		E				N		M		E
O	P	T	I	O	N	A	L		O	F	F	E	N	D
V		U		W		R		P		L		N		I
E	S	S	E	N	T	I	A	L		A	P	A	R	T
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O	B	L	I	G	E	D		M	A	N	Y			
R		O		I		A		A				F		M
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I	N	D	I	A	N		S	A	V	O	U	R	E	D
D		E		T				T		N		E		E
E	A	R	N	E	D		M	E	A	S	U	R	E	D

House Downstairs

·abian Nights

by MICHAEL COVENEY

sual and refreshing cross a small troupe actors investigating support or camou- tty lights and bulky primal function of at of straight, un- rytelling. And what to start such in- than Sir Richard abian stories? The e expounded on this 's entertainment (a is to run in reper- his week) is that of love story of Prince man and the Budur—she whose leep enough to hold nce of ambergris.

phrase is just one the descriptive rich- stories themselves first half-hour, you he actors will go na an assuming the animated apostrophe to the scenes they and relate. But of physical resource oned eloquence they tale soon obliterates s.

e overall framework elightfully moralistic cerning the arousal to sexual fulfilment of a podgy adolescent by a butcher's wife who, against her will, has been closeted with him for the sake of a good dinar; the superb righteousness of the Princess in the desert as she slices a forward Arab from gut to gullet; the riotously picaresque adventures of a hunchback hired for fun by a country couple before wreaking his vengeance on Christian, Moslem, Jew and anyone else in sight.

The conclusion is as happy as is allowed by the stern encroachment of the spirit of mortality on a scene of unrestrained and strongly described physical passion. The company, six talented performers going under the name of Shared Experience, bring many pleasures, not the least being a joyous reminder of the gushing eroticism of the source material. Once a little coyness at the edges is dispensed with and the audience is given something comfortable to sit on, this will be a fine show.

The Books Page will appear in Friday's paper

Room

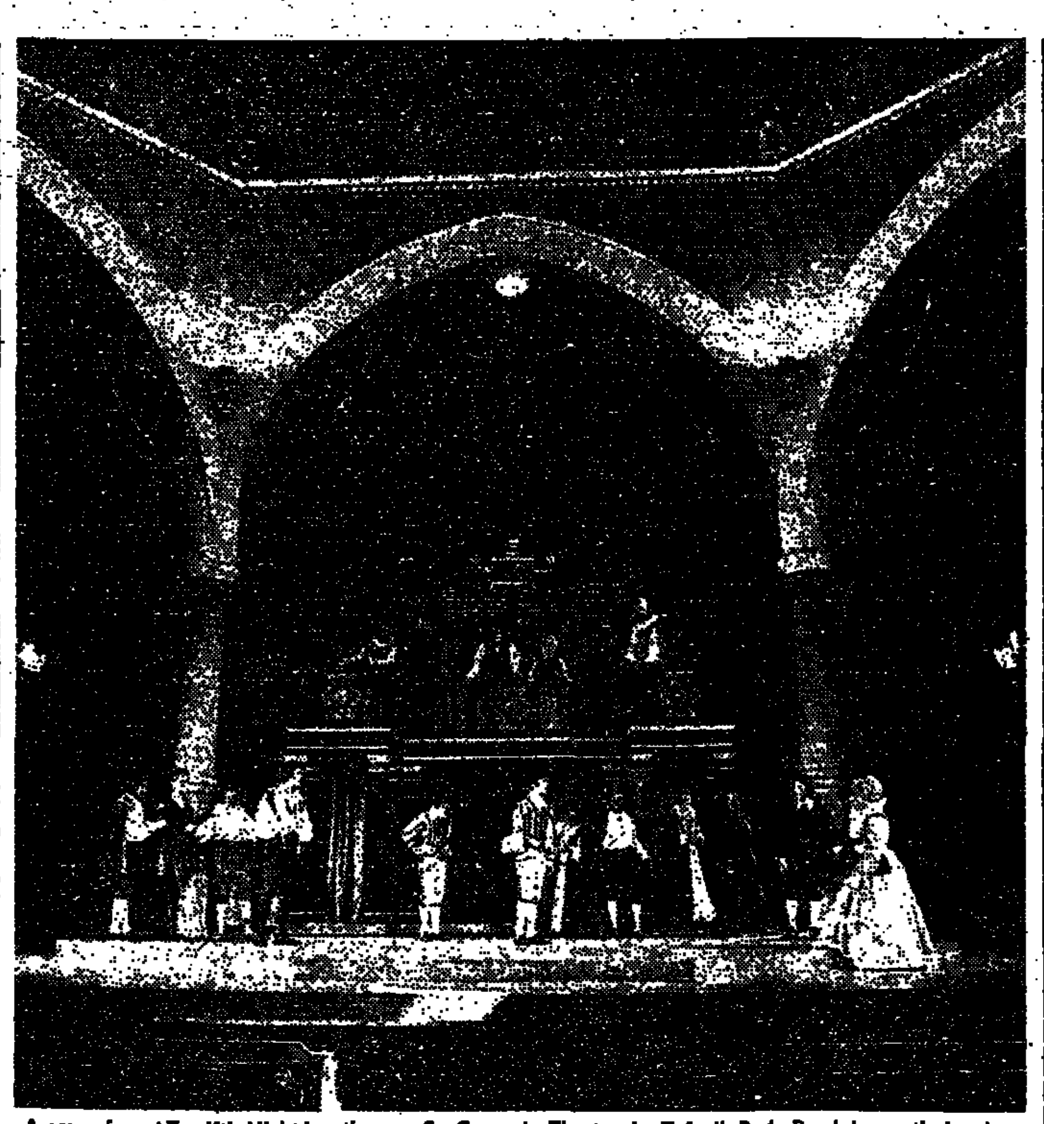
Carla Hübner

by MAX LOPPERT

lean pianist Carla s slightly hampered ndon debut recitals of pieces (last Tues- xt Tuesday) with the banner of "Seven- ry Decades," and notes that, on last ring, want immediate from jargonese into But the programmes offer an attractive new, recent and this, rather than any heme," is in itself ntellectual justifica- for the concerts.

sic" category was in ecurely served in last had begun uncom- ith nervous, erratic rough two Debussy our les quatres" and agréments," and an d Isle joyeuse. 's Three Piano Pieces. e lacked the interior s, the ability to set resonances in at the music gains ely graded sense of tockhausen's Ninth was gingerly taken, ciently dynamic projection of changing colour—well-meaning but straitlaced. In all these pieces a player clearly and thoughtfully engaged in the music was apparently being hindered by problems of technique.

With Mario Davidovsky's sixth set of *Synchronisms*, an unusually elegant, precisely "scripted" and finely crafted dialogue between piano and electronically synthesised piano sounds, Miss Hübner seemed to relax, and the audience with her. She teased out the frail flutters and rustles of Eleanor Hovda's *Spring Music with Wind* (a first London performance) with poise: and was convincing in David Bedford's two Piano Pieces, kind to their uncomplicated demands. In between, it was a pleasure to hear again the cool midnight sounds of Cage's prepared piano and his *Perilous Night*—an oasis of tranquility in the middle of a busy concert. Messiaen's two *Ile de feu* pieces closed the recital, played with a wildness now not out of place, though it was not wholly based on technical freedom. Not a great occasion, but engaging and worthwhile.



A scene from 'Twelfth Night' at the new St. George's Theatre in Tufnell Park Road in north London, which opened last night

Albery

Equus

by B. A. YOUNG

When on all sides Chief Constables and judges inveigh against the social services and call for instant justice for all law-breakers, the time is ripe for a revival of *Equus*. In this remarkable play Peter Shaffer analyses a totally indefensible crime, the blinding of six horses with a hoof-pick by a teenage boy. The do-gooders rescue the boy from the terrible vengeance of the Bench and entrust him to a psychiatrist.

Right or wrong? You could send him to Borstal for the rest of his life, and a horse-loving society would feel that justice had been done. After his treatment, he *will* be free of the mania that prompted the crime, and society will be safe. But Peter Shaffer's psychiatrist is a man with an uncommon understanding of abnormal human behaviour. The mine in the boy's psyche will have been defused, the boy will become an acceptable member of the subtopian world; but he will have lost the one thing that made his life worth living, his sexual passion for horses. How right, he asks, in a world free from *parti pris*, will this be?

Mr. Shaffer leaves the question open. His argument is presented through a story that is magnetically interesting, and John Dexter's immaculate National Theatre production, virtually unchanged since we saw it at the Old Vic, is enriched with two fine performances as the psychiatrist and the boy.

Colin Blakely's Dysart is a man looking unhappily at the prospect of middle age. His marriage has proved a desert, his enthusiasm for the ancient Greeks seems to be an illusion, even his former devotion to his medical craft is showing weaknesses. He can still raise excitement when his case displays special interest; but between his moments of passion he knows himself for a burnt-out case.

As the boy Alan, Gerry Sundquist brings the sexual side of his fixation nearer the surface than in any other performance of the part I have seen. He is a slim, good-looking young man (I would like for a change to see the part played by a really ugly boy, so that the bias would be against him, not for him); if he had been able to live a normal life he would clearly have been a popular leader among the young people. His playing is full of subtlety: his faint move towards his mother as she leaves after their quarrel at the beginning of Act Two almost moved me to tears.

Louie Ramsay is an exceptionally charming magistrate as Hester Salomon; Glyn Owen and Jane Wenham play the unhappy parents; Petra Markham is attractive as Jill, the girl-friend whose seductive approaches trigger off the dreadful climax. The movements of the actors in John Napier's effective horse costumes, choreographed by Sue Lefton, impressed me as ever, though I can't believe that this illiterate boy really described their action as "like those girls in the ballet."

Record Review

Crumb of America

by DOMINIC GILL

Crumb: Night Music I. Louise Toth, Paul Parmelee, David Burge, Thomas MacCluskey. **Erickson:** Chamber Concerto. Hartt Chamber Players/Shapey. CRI 218 (£3.49).

Crumb: Black Angels. New York String Quartet. **Jones:** String quartet no. 6; Sonatina for violin and piano. Zukofsky, Kalish. CRI 283 (£3.49).

Crumb: Echoes of Time and the River. **Ellis:** Kaleidoscope. Louisville Orchestra/Mester. LS-711 (£4.25 available from Henry Strave, 9 Dean Street, W1E 6QZ).

Crumb: Music for a Summer Evening (Makrokosmos III). Kalish, Freeman, DesRoches, Fitz. Nonesuch H-71311 (£2.99).

The omnivorous fetish for Centenaries and Bicentenaries has this year focused attention on—and also provoked, it appears, a welcome but quite unexpected boost in this country to the sales of—two American record labels: the well-known Nonesuch, recently taken up and distributed with some flair here by Transatlantic; and Composers Recordings Inc., a catalogue of contemporary American music launched eight years ago, commercially run but partially supported by private funds, now embracing a remarkable list of more than 300 discs, imported and distributed by Rediffusion.

Nonesuch has the wider range, offering music American and non-American from mediaeval times to the present day; CRI is more exclusively concerned with the work of living American composers. The contemporary lists of both labels are fairly consistently mainstream, touching only very briefly on Cage or his school and not at all on the younger post-Cage generation of "experimental" composers like Reich, Glass, Riley Young, Mumma, Lucier and many more—a gap which Brian Eno's new "Obscure" label may with luck (and the continued support of Island Records) go some way to fill.

The Nonesuch and CRI lists do, all the same, offer the chance for some exciting explorations—and notably, the chance to hear a broad survey of the work of one of the most intriguing of the middle generation of American composers, George Crumb (b. 1929). The earliest of the Crumb works on these four discs, *Night Music I*, dates from 1963, and nicely illustrates the qualities of his "mature" style—a very characteristic combination of lushness and spare economy; a high-Romantic canvas coloured with almost Webernesque (though strictly non-serial) precision; powerful dramatic emphasis on single sounds and groups of sounds, and on the silences between them; above all, an aural imagination honed as sharp as a razor.

The seven short "nocturnes" of *Night Music I* are scored for piano, celesta and two percussionists, joined by a soprano voice in the second and fifth nocturnes, settings of two poems by Lorca: delicate evocative writing, pointed with marvellous clarity, full of single stars and sound-flowers, oriental lights, splendidly sung (except for some awkward Spanish vowels) by Louise Toth, joined with Messrs. Parmelee, Burge and MacClusky.

Another CRI disc contains one of Crumb's finest works, the brilliant *Black Angels* (subtitled "13 Images from a dark land") scored for amplified string quartet and composed in 1970, the same year as his *Ancient Voices of Children*. *Black Angels* is an extraordinary tour de gare-force of electrically amplified string-quartet techniques—a symmetrical arch-like design of 13 sections, 25 minutes long, portraying a "voyage of the soul" through "spiritual annihilation" to "redemption." Numerological structures and symbols abound, based on the magic numbers 13 and 7 as well as more conventional references, to the *Dies Irae*, to the *Diabolus in musica* (the tritone), to the Devil's Trill.

The programme and parts of the composer's own programme-note, sometimes sound pretentious; but the music itself, for the length of its long span of nearly 25 minutes, is wholly compelling. It is a unique sound-world, beautifully imagined, described with great conciseness and vigour—"Night of the electric insects," a frenzied nightmare threnody of insect clicks and chirps; the ghostly, desiccated sound of "bones and flutes"; the flesh-tearing, string-ripping "Devil's Music": the sudden apparition of a faraway, disembodied consort of viols, bowed on the "wrong" side of the strings; devilish trills with thimble-capped fingers.

Echoes of Time and the River, which won the Pulitzer Prize in 1968, the year of its composing, appears on the comprehensive list of imported American discs available through Henry Stave in Dean Street. For its insistence on delicate, isolated sonority, and its use of extreme (and sometimes violent) contrast within so spare and fine-grained a frame, Crumb's *Echoes* recall the work of no other composer so much as the Japanese Toru Takemitsu. It is the kind of music which may leave some listeners with an unsatisfied appetite for sounds more cogent, ordered, systematic; but the simple, sensual appeal of *Echoes* is undeniable—and for some again, irresistible.

The appeal of the most recent of these four Crumb works, *Music for a Summer Evening* (1974) for two pianos and percussion, the third part of the *Makrokosmos* trilogy, is also startlingly direct and immediate. The composer calls it a "cosmic drama." The sound-canvas, like that of *Black Angels*, is exceptionally wide: a huge battery of percussion instruments includes a vibraphone, xylophone, glockenspiel, tubular bells, crotales, bell-tree, claves, *maracas*, *sleigh-bells*, wood-blocks and temple-blocks, triangles, slide-whistles, thunder-sheet, African log-drum, Tibetan prayer-stones, and an African thumb-piano—a kaleidoscopic range of timbre, used all the same with great ease, unpretentiousness and simplicity, each effect beautifully judged and individually placed. The five sections—"more or less atonal, more or less tonal"—are notable more for the sheer exuberance and beauty of their sonority than for their intellectual urgency: *Klangfarbenmusik* at its most subtle, vivacious and effervescent, a real celebration (not cerebration) of sound, indulged with magnificent sensitivity and finesse. Good, clear sound; a muscular, virtuoso performance by Gilbert Kalish and James Freeman, with Raymond DesRoches and Richard Fitz.

The couplings on each of the four discs are worthy but less exciting. The sixth string quartet and Sonatina of Charles Jones (b.1910, a pupil and colleague of Milhaud) provide a faintly pallid B-side for *Black Angels*; honest, cogent, wholly *unmemorable* essays in an honest, cogent, passé idiom. The Chamber Concerto (1960) of Robert Erickson (b.1917), which accompanies *Night Music I*, attempts to sustain a pointillistic, Webernish conversation for the very un-Webernish span of 21 minutes, and fails. *Kaleidoscope* for orchestra, synthesiser and soprano by Merrill Ellis (b.1916), coupled with Crumb's *Echoes*, is more adventurous in aspiration and instrumental combination, but ultimately achieves little more than the Erickson—decent music, without central core, central vision. Foils and contrasts only: though they do at least serve the useful purpose of confirming just how good (for all their oddities, near-gimmicks and dispersions) the Crumb pieces are.

Danny Moss Club

The Danny Moss Jazz Club, Eriswell Road, Worthing, re-opens after Easter on Tuesday April 27 with the appearance of trumpeter Humphrey Lyttelton to be followed on May 4 by pianist Tony Lee. On May 18 it is hoped to have clarinettist Acker Bilk.

Further details from *Worthing 33277*.

A recent BBC recording made at the club will be broadcast next Sunday during Peter Clayton's *Sounds of Jazz* programme on Radios 1 and 2, beginning at 11.02 p.m.

The return of 'Mister X'

Mister X, the lunchtime play that did record business lately at the ICA, is to play one extra week, beginning April 27.

opera

Bellini at home

by WILLIAM WEAVER

e who loves Vincenzo sic, a visit to his is a memorable Though Bellini's a steady journey aples for study, then nd La Scala, and ris and early death), r maintained close atania, visited it in 1832, and dedicated score of his *I Capuleti* to the Cata- you can visit the se where he was a museum crammed ating memorabilia) ive in the nearby e his remains were nid all sorts of a century ago in Père Lachaise. But, movingly, you can andsome streets of mostly rebuilt in century, after an Etna and a disas- uake, you can hear m the market, you the Sicilian air.

nt public gardens the Villa Bellini; imposing Bellini nd, in Piazza Bel- the lovely Teatro llini. Built at the last century, the narkably restrained ing the sobriety of settecento architec- ll itself is not large, utifully appointed intained. And the excellent.

n a smaller budget alian opera houses, no Bellini still present every year season, from mid- te-May. Naturally, era is always in cartellone, and the e has been enterprising in the revival of the composer's less well-known works (*La straniera* in 1954; *I Capuleti* in 1959; *Beatrice di Tenda* in 1966).

And now, the rarest of Bellini's mature compositions: *Zaira*. Written in 1829, to inaugurate the Teatro Regio in Parma, *Zaira*—despite a Felice Romani libretto and a cast that included Henriette Méric-Lalande and Luigi Lablache—*was not a success. It was given* again only after Bellini's death, at the Pergola in Florence, in 1838. The recent performances in Catania were the first in this century.

Instead of recasting *Zaira* and trying it out elsewhere after its Parma failure, Bellini used the score as a mine from which to draw ideas—sometimes only slightly altered—for later works. Many numbers went into *I Capuleti*, a chorus was used in *Norma*, and the first-act tenor cabaletta bears a striking resemblance to "Suoni la tromba." Thus one of the delights in listening to *Zaira* to-day consists of hearing these pre-echoes of the later masterpieces.

But, though not a masterpiece, *Zaira* is a pleasure to hear in its own right. There is not a dull page, and many of the numbers are on a level with the finest of Bellini. In 1829 he had not yet developed the subtlety in the use of recitative that was to distinguish *Norma* and, even more magically, *La sonnambula*. Still there are some affecting passages, such as the first appearance of the dying prisoner Lusignano and the last-act entry of the Sultan. Several of the ensembles are interwoven with characteristic Bellinian grace.

Based on the Voltaire tragedy, Romani's libretto is expectedly elegant. The drama has perhaps less poignancy than the poet's other texts for Bellini, and the spectator is somehow less emotionally involved, less gripped, by Zaira's plight (loved by the Sultan, she is torn between her love for him and her duty as a Christian and a daughter). Nevertheless, this is, finally, a significant and enjoyable opera.

The Catania cast was dominated by Renata Scotto, who sang the title role. In recent years, as followers of Italian opera know, this artist has been moving more and more into the dramatic repertory, away from the lyrical parts that won her fame. Certainly she has acquired a new and convincing stage personality; overcoming a less than ideal physique, she manages to create an impression of tragic stature. She was very much the star and was rightly applauded by the large, enthusiastic audience. The voice, too, seems to have grown; but at the same time, it has lost some of its *former sweetness. In the tender* scenes, the soprano succeeded in producing an appealing sound (and phrased sensitivity always); but in the more vigorous passages—such as her last act cabaletta — she frequently sounded shrill.

Of the other voices, the most effective was the tenor of Giorgio Casellato Lamberti, in the small part of Corasmino. His bright, true sound ennobled his one aria (opening the first act) and was gratefully heard in the ensembles. Maria Luisa Nave sang the travesty contralto role of Nerestano with dignity and panache, though without much vocal variety. Luigi Roni's rich bass was well-suited to the part of Orosmane (the enamoured Sultan), though the singer sometimes lapsed into an inappropriate verismo style, notably in his last act lament, vitiating Bellini's carefully prepared scene. Mario Rinaudo was good as Lusignano, a difficult part, something more than a comprimario, but not quite a principal.

At times Danilo Belardinelli's conducting was a shade too rigid, but he made the Catania orchestra sound good (even the exposed wind writing emerged clear and clean), and the opera never sagged. Attilio Colonello designed some colourful and attractive costumes, but his unit set was ugly and confusing, and almost uniformly dark. His staging was also unhelpful, giving little support or explication to the drama. But Bellini triumphed all the same: Parma's coldness of 1829 was avenged by Catania's warmth.

Luigi Roni, Renata Scotto

Gorky's 'The Zykovs' opens at the Aldwych

The Royal Shakespeare Company is to stage the British premiere of Maxim Gorky's *The Zykovs* at the Aldwych Theatre on April 28. This is the fourth Gorky play to be directed by David Jones at the Aldwych. One of Gorky's later plays, written in 1914, *The Zykovs* is set in the Russian provinces five years before the 1917 Revolution and explores the struggle of the old generation with the new.

Sheila Allen returns to the RSC to play Sofia. Mia Farrow plays Pavla and Paul Rogers plays Antipa Zykov.

The Zykovs is directed by David Jones and designed by Timothy O'Brien and Tazeena Firth.

British tour for Taiwan revue

The Chinese Circus Revue of Taiwan is to visit Britain for a tour of Moss Empires' provincial theatres, opening at Birmingham Hippodrome on May 31 for two weeks. Subject to availability, it is possible that the production will also be presented in London.

The company of 36 top Chinese performers — the youngest is 16—comprises acrobats, girls in traditional costumes, dancers, jugglers, trapeze artistes as well as comedy and Chinese magic.

WORLD TRADE NEWS

Saudi Minister 'disappointed' in U.K. companies

BY KENNETH GOODING, INDUSTRIAL CORRESPONDENT

THE SAUDI ARABIAN Minister of Industry and Electricity yesterday said he was "disappointed" in the lack of interest shown by U.K. companies in the setting up of joint ventures in his country.

Dr. Ghazi al Ghosaibi maintained that since he became Minister for Industry last October not one serious joint venture had been offered from the U.K. for his department to consider.

Speaking to Confederation of British Industry members in London he reminded industrialists that Saudi Arabia is interested in establishing small *and medium-sized industries* as well as the giant petro-chemical businesses.

One of the main objectives of the current five-year plan was the diversification of the country's industrial base by encouraging the local production of products which the Kingdom mainly imported.

While the Government did not like to interfere with the choice of private sector investment. It *was likely that investors would* establish plants to supply building materials, various agricultural requirements and a wide variety of household and commercial items.

It was true some U.K. companies had established their own contacts with private sector partners but any concern unable to do so but which had a serious proposition should contact his Ministry, said Dr. al Ghosaibi.

But it was joint ventures that Saudi wanted, not consultancy or licensing arrangements. "We wish to make sure that there is *an on-going relationship.*"

Dr. al Ghosaibi insisted that the Saudi Government was determined to push ahead with the existing five-year industrialisation plan.

U.K.-Seoul arms talks

By Our Own Correspondent

SEOUL, April 21.

CONCLUDING his three-day trip to South Korea, British Defence Secretary Roy Mason admitted to-day that he sought British arms sales to Korea but refused to go into detail.

At a news conference held at the British embassy here, Mr. Mason said he discussed with his South Korean counterpart Suh Jyong Chul "the possibility of sale of defence equipment which is just one more area in which *we hope to be able to help* the Republic."

Crosland and CBI to visit Japan

By Peter Duminy

TOKYO, April 21.

ANGLO-JAPANESE relations will be reviewed at both official *and private levels in the next* three weeks. Mr. Anthony Crosland's visit, the first by a Foreign Secretary since 1970, is fixed for May 9-11.

Before that, the Confederation of British Industry will arrive in force for talks with Japan's federation of employers organisations (Keidanren) on April 27-28. This seven-man delegation will be led by Sir Ralph Bateman, CBI's President, and *include Sir Peter* Matthews, managing director of Vickers, and Mr. Barry Heath, chairman of GKN.

It is believed that Keidanren and CBI can fruitfully discuss further opening of the Japanese market for British exports, and that the meetings are likely to establish a mechanism for informal exchanges of views on a regular though ad hoc basis.

Mr. Crosland is expected to meet Mr. Kiichi Miyazawa, Japan's Foreign Minister, and Mr. Toshio Komoto, Minister of International Trade and Industry. Britain's exports to Japan dropped 11.3 per cent. to $808m. in the 12 months ended *March 31. Imports from Japan* were 7 per cent. down, at $1.46bn.

Reuter reports from Osaka: *Toyota may* assemble its cars in the U.S. at some future date, especially if the U.S. were to restrict car imports, Toyota Motor Sales Company president Seishi Kato announces.

Talks on threat posed by Soviet shipping growth

BY ARTHUR SMITH

THE BRITISH Government appears to be sounding out opinion for concerted action by Western Governments to counter Russian and East European penetration of shipping trade.

Mr. Stanley Clinton Davis, Parliamentary Under-Secretary at the Department of Trade, has left for talks in Copenhagen with Mr. Erling Jenson, the Danish Minister responsible for shipping.

The Department refused to comment beyond the fact that the Ministers would be "exchanging views on various aspects of shipping policy." But it is known that Mr. Davis has already held talks with the West German and Greek Shipping Ministers and is scheduled to meet the Dutch Minister.

The main issue under discussion is likely to be the threat *posed by the growth of the* Soviet and East European commercial fleet.

The Council of European and Japanese National Shipowners' Associations (CENSA), representing the major Western shipping lines, has appealed publicly for concerted Government action to help deal with the problem.

The shipowners maintain that deliberate and concerted "rate dumping," primarily by Soviet merchant shipping, could so seriously enfeeble Western shipowners that the carriage of a major proportion of trade could fall permanently into Russian hands.

Eastern bloc penetration has been achieved largely at the expense of Western shipping lines in the cargo-liner and container trades.

Attempts by the shipowners to persuade the Communist coun*tries to moderate their policies* have come to nothing and the onus is now being placed upon Government action.

A starting point for any action would be to sound out unofficially how seriously individual Governments take the reported threat and what basis of agreement could be reached for a joint initiative.

MAGIRUS-DEUTZ IRAN SUBSIDIARY

By Guy Hawtin

MAGIRUS-DEUTZ, the West German bus and commercial vehicle builder, is setting up a subsidiary in Iran. The concern is also planning to establish subsidiaries in other important markets.

Andean Group near solution to crisis

BY MICHELLE PROUD

LIMA, April 21.

THE SIX ANDEAN Group countries—Bolivia, Chile, Colombia, *Ecuador, Peru* and Venezuela—have taken a major step towards solving the severe crisis which the Group is going through, by modifying some of the basic concepts that have been the cause of dispute between them for the past year or so. At the same time they have drawn up a strict but realistic programme for the next two years, which should help to get things moving again after a *long period of stagnation.*

The measures are contained in six decisions agreed here on April 10 at Ministerial level meeting, held in a last-ditch attempt at compromise after months of hard but inconclusive negotiations. The most important decision is a protocol amending the Cartagena Pact itself—the agreement, signed in 1969, which set up the Andean Group. The protocol postpones for two years a series of deadlines, principally for the final drafting and adoption of industrial development programmes and of the common *external tariff*, which had originally been fixed for the end of last year.

The extension provides the *necessary breathing space for* negotiations on these programmes. At the same time, two important changes are intended to prevent these negotiations ending in deadlock as in the past. The first is that if all six countries cannot agree on any particular programme, it can be adopted by a minimum of four countries. The second allows for maximum and minimum levels to be agreed in the common external tariff for each product, to take into account the effect that different monetary and trade-related policies have on tariff levels in each country.

Contradiction

The idea that a common external tariff can have different levels for different countries *appears a contradiction in terms.* Officials say, however, that it is only realistic to recognise that the interests and needs of each of the six countries are different and that the way they use trade-related mechanisms — such as prior import licences, foreign exchange quotas for imports and subsidies—may nullify the effect of a common tariff. The aim now is gradually to harmonize all the different instruments, and *in the* meantime to agree on varying tariff levels to compensate for them. Perhaps more importantly, *the measure recognises that the* original concepts of the Andean Group were too demanding for countries with very different resources and economies, and that it is better to set lower requirements that will be adhered to in practice, than to make impossible *demands* that *nobody* complies with.

The crisis in the Andean Group began over a year ago, *when programmes started running seriously behind schedule.* By late last year it was obvious that the deadline for completion of all the industrial programmes and the external tariff would not be met. *This was not merely due* to delays in preparing the programmes but because some of the countries—particularly Colombia and Chile, in the case of industrial programmes—were deliberately blocking progress in order to force a show-down on basic issues once the deadlines expired.

Colombia and Chile were both keen to see the industrial programmes scrapped, which they regarded as neither useful nor *workable. That this has not* happened, and that instead a genuine compromise has been reached, is largely due to the fact that Venezuela decided to put its weight behind the three countries—Bolivia, Ecuador and Peru—which see the industrial programmes as key instruments for development.

Compromise

In spite of its oil wealth, Venezuela's manufacturing industry is both limited and poorly structured, and the Government decided that the tariff protection and guaranteed market provided by the Andean group are most important to its industrial development. Out of this, the *present compromise has emerged* in which the industrial programmes are to be retained, with extra time for carrying *them out. If Colombia or Chile* do not like a particular programme, they can opt out unilaterally.

Programmes so far in operation are those for petrochemicals and for metal-working industries (which is now to be redrafted to include Venezuela, which was not a member of the group when it was drawn up). Those under negotiation are for the motor industry, fertilisers, steel and electronics; while those still to be drafted cover chemicals, pulp and paper, glass and pharmaceuticals.

Another major area of dispute between the Andean countries has been Decision 24, the group's rules on foreign investment. *Several countries, led by* Chile, have for some time been pressing for amendment of this Decision, particularly of features *like the profit remittance level* —at present limited to 14 per cent. a year of investment — and of the rigid rules on reinvestment.

The countries which earlier had opposed any change in the rules, particularly Peru, now *seem to feel that the basic prin*ciples are so well established—particularly the concept of majority local ownership, and *close controls on the role of* foreign capital — that they can afford to be flexible on the details. The Commission has *now agreed to set up a working* group to study the proposed amendments, and it is virtually certain that changes on the *remittance level*, the re-investment rules, the limits on foreign firms' access to local and foreign credits, among others, will be *introduced* this year. Additionally, the Commission has agreed to allow Chile to sell off to foreign investors the companies acquired by Corfo, the Chilean development corporation, *principally during the* Allende period.

A fourth major problem is that the Andean group programmes have so far done nothing to achieve their aim of reducing the differences in industrial development between the six countries, particularly those between Bolivia and Ecuador, the two less-developed members, and the four others. In fact, the opposite appears to have happened, with *the industrially stronger coun*tries, particularly Colombia, doing best out of the programmes. The Commission has now undertaken to study and introduce, before the end of the year, new measures which will give more effective support to Bolivia and Ecuador.

A subsidiary feature of the crisis was that the Andean countries could not agree on three suitable candidates to take over as heads of the Junta, the Andean Group's technical secretariat. The former heads, who had all served two three-year terms, were due to retire in December. They stayed on during the early part of this year, and the problem was finally solved in March with the appointment of Dr. Luis Barandiarán, of Peru, Dr. Jesus Alberto Fernandez, of Venezuela and Dr. Rafael García, of Ecuador. The first two were highly acceptable candidates. Dr. Barandiarán, a retired Air Force General and former Minister of Commerce, had four years' experience of the Andean Group as head of Peru's Integration Office and its representative on the Commission.

Three-man Board

Dr. Barandiaran is widely respected for his ability and imagination. Dr. Fernandez, professional economist, was formerly director of Venezuela's foreign trade institute. The compromise figure in the trio, chosen at the last minute when no agreement could be reached on another candidate, is Dr. García, an international lawyer in Ecuador's Foreign Ministry. The new three-man board took office April 1.

Now that the formal aspects of the crisis have been dealt with, the pace of progress in the Andean Group is expected to pick up again. There remains perhaps the most serious aspect of the crisis manifested in the failure of all the countries to meet many of their commitments under Andean Group programmes, including the failure to ratify Andean Group decision or to put into practice decisions they have ratified, or even to make required tariff changes. Officials are hoping that now, with the major obstacles removed and a greater degree of flexibility allowed, the record of compliance will improve. At all events, the sustained effort of the six countries *to reach a compromise on the* difficult issues demonstrates their political determination to retain the concept of integration.

Attack on Swedish shipbuilding

BY HILARY BARNES

COPENHAGEN, April 21.

A BITTER attack on Swedish policies for subsidising its shipbuilding industries was made to*day by Mr. Erik Quistgaard,* leader of Odense Shipyard, one of the world's leading supertanker yards.

Proposals now before the Swedish Parliament to provide subsidies to the yards for building ships for stock would export Sweden's *problems* to other countries, including Denmark, West Germany and the U.K., all of which are suffering worse unemployment problems than Sweden, he said.

"On the one hand the Swedes are trying to do everything they can to solve their own problems, while on the other they declare internationally that the problems must be solved collectively. It can only be described as pure hypocrisy," he said in an interview in the financial newspaper Boersen.

"Intervention of this kind by governments makes it almost *impossible* to agree on *a* 20-30 per cent. reduction in world shipbuilding capacity. "What the Swedes are doing may form a *model* for others. *That would* be disastrous. It would prolong the shipbuilding crisis," he added.

But in spite of failure so far to reach international agreements for reducing shipbuilding capacity, Mr. Quistgaard does not doubt that the reduction will come about. "And it will come very quickly because there simply isn't anything to build," he said.

Pakistan plans to set up duty free export zone

BY KEVIN RAFFERTY

KARACHI, April 21.

OFFICIALS in *Pakistan's* economic and trade ministries are investigating the possibility of setting up a duty-free export processing *zone on the Arabian* Sea coast close to Karachi port.

The aim would be to boost and diversify the country's exports *as well as to provide a wider* range of employment opportunities. Senior officials in Islamabad recently said that Pakistan had noted that the Indian duty-free industrial zone at Santa Cruz near Bombay appeared to be working most successfully, and other countries had found such duty-free areas useful in promoting exports.

Pakistan will probably have a trade deficit in the current financial year of well over $1bn. On the import side, it is one of the countries "most seriously affected" by the rise in the inter*national oil prices three years* ago. Imports of crude for example rose from $46m. in 1972-1973 to an estimated $278m. this year; imports *of* oil products were $18m. in 1972-73 and are estimated at $100m., this year. Altogether imports in 1975-76 are expected to be $2.4bn. against less than $1bn. three years ago.

Exports on the other hand are expected to reach only $1.1bn. or $1.2bn., against $800m. three years ago. Cotton and cotton textiles and rice on their own make up more than 55 per cent. of export earnings and both rice and cotton have fallen in price on international markets. In the last few years Pakistan has increased earnings from sports goods, carpets and leatherware, but officials are concerned to increase the variety.

Remittances from Pakistanis *working abroad* help *in* substantial measure to offset the trade deficit. This year these may reach $300m. in the official *figures, of which up to half is* likely to come from Pakistanis working in the Middle East. Pakistanis have been in great demand in the rapidly growing Gulf states, and they themselves have been quick to seize the opportunities of earning good wages in free foreign exchange.

But the Government would probably be happier if it could provide more jobs for them at home, and for that reason is examining the duty free processing area carefully. It would probably be politically unacceptable for the Government to give *more encouragement to foreign* investment as some of the governments of South East Asia have done in an effort to bring industrial diversification and provide new jobs.

According to an Indian spokesman, the Santa Cruz industrial zone now has 46 factories and last year exported goods worth Rs50m. (nearly £3m.). Companies from Japan and the U.S. have set up factories in the zone, and they have brought skills including making of electronic products and medical instruments to India.

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Modified plan for NJA works

By William Dullforce

STOCKHOLM, April 21.

THE SWEDISH *Government* yesterday presented Parliament with a modified plan for its controversial new steel works project. Instead of spending Kr.13bn. on a 4m-tonne capacity steel works at the State-owned NJA company in Lulea and two rolling mills, Industry Minister Rune Johansson proposes to spend Kr.8-10bn. (£1-1.23bn.) at 1975 prices on a 2.5m-tonne plant to feed one rolling mill and an expanded rolling section in the existing NJA works.

The rolling mill in which the West German Krupps concern was to have invested in partnership with NJA has been abandoned. The first blast furnace would be functioning in 1981 under the new plan instead of by the end of 1978.

AMERICAN NEWS

;ome-by-Chance refinery ıvestment 'inquiries'

YNDON WATKINS

HALIFAX, April 21.

)UNDLAND Finance Mr. C. William Doody d that five groups or ials have made "serious s" about investing in or over the bankrupt Natural Resources y oil refinery at the -Chance field. None of owever, he said, has yet eard any firm purchase s.

)PEC countries are said nterested in investing up in taking over and ng the refinery, accord- Mr. Michael Jay, a orn Toronto real estate who says that he is on behalf of the group, ; currently assessing the l problems and market l of the 100,000-barrels-a- it.

refinery has been shut ace Newfoundland Refin- npany, a Shaheen subsidiary, was declared bankrupt a month ago. Mr. Jay would not say who the two OPEC countries are, but he claims that he has acted for various Middle East groups in the past in arranging financial and real estate investments in Alberta, Texas and Australia.

He bases the current interest on two factors: a desire to participate directly in the North American oil industry and the use of Come-by-Chance as a technical training ground for OPEC personnel. Japanese and other interests are also involved in the proposal according to Mr. Jay.

Newfoundland Finance Minister Mr. Doody, has confirmed that Mr. Jay is one of five groups or individuals that have made serious inquiries about the refinery.

Mr. Doody would not say where the other inquiries had come from. The Minister added that a lot of manoeuvring is obviously going on, with groups forming and switching alliances in an attempt to put together a viable takeover package.

More should be known following another meeting of creditors, due to take place in St. John's at the end of this month. The meeting is unlikely to be a conclusive one.

Because of the social implications of the refinery shutdown on workers in the Come-by-Chance area, he said that the Government has deliberately tried to cool speculation about a quick solution to the plant's problems. At least a year would be required to rehabilitate it. By that time, international petroleum marketing conditions may have improved sufficiently to give prospects of long-term viability for the refinery.

;C urges new controls on boards

AY PALMER

NEW YORK, April 21.

:W York Stock Exchange g under increasing pres- rom several different regulatory agencies, g the Securities and e Commission (SEC), to its own house rules bribes, illegal political tions and other question- yments by U.S. corpora-

SEC in particular is the Exchange to adopt new regulations to the number and en the role of indepen- itside directors. Such directors, the SEC said, constitute a majority on rd to police, and if neces- nalise management for iings.

outside directors, the added, should be so as to exclude lawyers and ent bankers who have a onal or business relation- th management. Ideally ould constitute a totally dent and impartial forum uld work very closely e company's auditors.

ssing this possible new own at a Public Citizens in Washington, Mr. < Hills, chairman of the lded that the SEC was stronger sanctions, g the penalty of criminal against individual e executives who e" false entries in te books.

morning Mr. James n, the chairman of the NYSE, denied that the Exchange was actually drawing up any new rules along the lines suggested by Mr. Hills. It is noted that the only real sanction the NYSE would have against offending companies would be the threat of de-listing and such a penalty, carried out to any extent, could hurt the Exchange more than the culprits.

Mr. Hills disclosed that the SEC itself would seek its own rules to cover these points if the NYSE did not act. Agreeing that the Federal Government must use its economic powers to prevent foreign rivals from gaining U.S. business through bribes, Mr. Hills said that the commission was drafting a new law to mandate a certain minimum allowable proportion of outside directors and provide stiff criminal penalties for corporate executives who allow false records to be kept.

The SEC's push to increase the powers of outside directors and add to the policing responsibilities of auditors is certain to be bitterly attacked by the auditing profession. In the past auditors have claimed that they cannot be held legally responsible for uncovering deliberate fraud or other illicit actions especially since any failure to do so leaves them open to shareholders lawsuits.

Argentine manager shot

BUENOS AIRES, April 21.

EXTREMISTS killed an Argentine executive in Cordoba to-day and a union leader and his wife were critically wounded in another attack in Buenos Aires, police sources said.

Three men and three women stormed into the offices of the Sancor Mill Products Company and gunned down the personnel manager Sr. Raul Velasco. The group had disarmed the guards at the Sancor factory in Montecristo, Cordoba province, 450 miles northwest of Buenos Aires.

In an attack on the home of a telephone workers union leader, two men and two women in a car shot Carlos Alberto Farinatti and his wife. Both were hospitalised in serious condition. The guerilla group responsible for the latest attacks was not immediately identified.

In Buenos Aires, reports that bodies of 21 persons killed in the style of right-wing execution squads have been found over the last two days could not be confirmed with the police.

Argentina's political violence has claimed at least 296 lives this year. More than a third of the victims died since the March 24 military coup which overthrew President Isabel Peron's Government. UPI

ODM sets civil rights criterion for aid

By Hugh O'Shaughnessy

THE STATE of human rights in a recipient country is henceforward to be one of the considerations to be weighed when the Ministry for Overseas Development takes a decision to grant aid.

Ministry sources emphasise that no hard and fast rules have been laid down on the subject and every developing country which seeks British aid will be considered on its merits. Nevertheless, the decision to give formal consideration to a country's respect for human rights marks a new departure by the Ministry.

The new British attitude, which was originally formulated by Mr. John Grant, who before his transfer to the Labour Ministry last week was junior Minister at the ODM, has received the blessing of Mr. Reginald Prentice, the Overseas Development Minister

The British move coincides with moves in the U.S. Congress and in various Western European parliaments to be tougher on the governments of developing countries which blatantly and consistently disregard human rights. For instance, Chile and Uganda have both forfeited the amount of foreign aid they would otherwise have because of theri bad human rights records and the World Bank has been under fire in Britain and the U.S. for its decision to make large new loans to the Chilean junta.

Ford attack on Reagan

WASHINGTON, April 21.

PRESIDENT FORD to-day accused his campaign rival, Mr. Ronald Reagan, of distorted preposterous demagoguery in claiming that the U.S. had become a second-rate power bowing to Soviet military might.

In his strongest attack yet on his challenger for the Republican Party's Presidential nomination, Mr. Ford declared that allegations that the U.S. had accepted Soviet world domination were complete and utter nonsense.

He said in a speech to the annual convention of the Daughters of the Americal Revolution (DAR) that Presidential candidates must not try to stampede the American people and should be equal to the burdens of the office they sought. The President did not name Mr. Reagan, but there was no doubt about his target.

Reuter

PRESIDENT GEISEL'S QUEST IN EUROPE

In search of a world role

BY DAVID WHITE, RIO DE JANEIRO CORRESPONDENT

Pres. Ernesto Geisel

THE LEFT-WING demonstrations being planned in Paris later this month and in London next month will be the first President Geisel of Brazil will have seen since taking office two years ago. The fact that the prospect has done nothing to deter him indicates the importance he and others in Brazil attach to the two trips.

Brazilian Presidents were never great travellers. The last Head of State to go to Paris was Emperor Pedro II — who went twice, the second time to die in exile. None has ever been to London, and Gen. Geisel himself has been nowhere as President except to neighbouring countries with Governments more authoritarian than his own.

The importance of the visits is twofold. Economic ties with Europe, especially those that bring technology to make use of Brazil's natural assets, are the country's first option if it wants to lean less heavily on the U.S. The traditional links with the U.S., as Sr. Antônio Azeredo da Silveira, the Foreign Minister, admitted in a conversation some months back, have produced "a few serious disappointments."

European partners are even more in demand since the Japanese, whom Gen. Geisel plans to visit in September, have had second thoughts about several big projects in Brazil.

But equally important—in the Brazilian view—is the political content of the President's European travels, the international stature Brazil is seeking as an "emerging world power" (Dr. Kissinger's words) and, connected with it, the Government's stature at home.

The handling of foreign policy has been more hotly disputed under President Geisel than at any time since the 1964 army coup—and probably with greater licence than in any other area of government. The distinguished conservative newspaper O Estado de São Paulo has called it "schiozophrenic, counterproductive and suicidal." After Brazil's establishment had finally seemed to rid itself of the overriding obsession with Cuba—a disease known as "castrocentricity"—events in Angola suddenly produced a relapse.

A growing tendency by the Itamaraty (foreign ministry) to associate with Third World positions had already drawn some fire. At the UN General Assembly last September, Sr. Silveira spoke of Brazil's place among the developing countries and its historical ties with Portuguese-speaking Africa, and in November it became the first Western country to recognise the Marxist-oriented MPLA.

O Estado de São Paulo had a field day. The decision was "an insult to the intelligence of Brazilian citizens." Sr. Silveira was not only being "more African than the Africans," he was being "anti-Brazilian and pro-Soviet." When it was found out how many troops Cuba had in Angola, the situation became politically intolerable—after all, the first foreign policy decision of Brazil's generals had been to break relations with Havana.

The special representative in Luanda was withdrawn, ostensibly because of his health, and when the Itamaraty could not decide whether Brazil was against rapport with South Africa, Sr. Silveira's job looked distinctly unsafe.

Sr. Silveira's African policy still stands, and early recognition of the MPLA must have helped appease those countries which resented Brazil's failure ever to take issue with Portugal's colonial rule in Africa. Mozambique became independent without inviting Brazil to the ceremonies. Now Brazil has sent an ambassador to Mozambique and has others in Angola and Guinea-Bissau. While Portugal turns its attentions to Europe, Brazil is eager to step into its role as senior member of the Portuguese-speaking world.

This role is the one part of a "Third World" policy most likely to gather support in the military, at least among the middle-of-the-road officers, moderate and pro-American (often U.S.-trained). The army in general is thoroughly suspicious of the Itamaraty, traditionally independent and powerful within the Government.

Sr. Silveira, an able and subtle career diplomat, has found himself a constant target of scurrilous attacks in hard-line anti-government pamphlets, which circulate in the barracks, referring to him only by his disrespectful nickname of "Silveirinha" or "little Silveira."

The army "hard line" seems more intent, however, on internal policy than foreign affairs, except where it can draw lessons. Thus the end of Peronist government in Argentina confirms the attitude that democratic experiments are a costly waste, and the emergence of the Communist Party in Portugal that repressive systems fail only because they are not repressive enough.

But developments in Angola created a new source of concern in the armed forces. Senior navy and air force officers were unusually forthcoming about their fears of Soviet domination in the South Atlantic and Brazil's ability to keep the passage between Natal in northeast Brazil and Dakar free for trade.

The whole issue of detente—Brazil now has full relations with both Moscow and Peking, and a booming trade with Russia—is the cause of some discomfort, as the censors demonstrated in their own inimitable way by stopping the Bolshoi Ballet from being shown on television last month.

More controversial is Brazil's endorsement of the Arab cause, despite protests from the small (150,000) but influential Jewish community. The Brazilian vote in favour of the UN resolution condemning Zionism was savagely criticised by almost all the serious Press.

If Angola and the anti-Zionist vote weakened Sr. Silveira's position, he took two big strides to recover his ground. The first was his role in the £2m. German-Brazilian nuclear pact, which will eventually make Brazil independent in the field, and the other was his more recent agreement with Dr. Kissinger, under which the U.S. and Brazil will hold regular consultations and the Americans recognise a "rightful shared role" for Brazil in international affairs.

Dr. Kissinger's lavish seal of approval made other Latin American governments—judging by the reactions of the Colombian and Venezuelan Presidents—even more suspicious than before of Brazilian ambitions. But perhaps the most important aspect was that the agreement marked out the distance between U.S. and Brazilian attitudes on economic and some other issues. "Brazil," Sr. Silveira likes saying, "has no automatic alignments."

The Third World is not a popular expression in the Brazilian establishment, but Sr. Silveira recognises that Brazil is part of it. At the same time, however, it belongs to the Western world and aspires to being as much an equal partner in it as, say, Japan. Relations with Europe play an important part in this effort.

Of course, Brazil's acceptability as a partner for Europeans depends in part on whether its domestic political and social conditions pass muster. On the other hand, successful visits could strengthen Gen. Geisel's stature at home at a time when his reforming efforts are in need of strength.

BRAZIL TO NEGOTIATE FOREIGN OIL CONTRACTS

BRAZIL has agreed to negotiate oil exploration contracts with 40 foreign companies including British Petroleum and two subsidiaries of Shell, amid reports that it will open up larger areas to foreign prospectors, our Rio de Janeiro correspondent writes.

The companies have been invited by Petrobras, the state oil company which has up to now had a monopoly in exploration, to present specific proposals for 10 onshore and offshore areas—a total of 18,750 square miles.

In a document stating the basic terms of future contracts, Petrobras said that gas discoveries would not entitle the companies to compensation. Foreign operators are to receive payment if they find oil in commercial quantities, with all the country's oil and gas remaining in the possession of Petrobras.

The companies, selected from 52 which made applications, include all the U.S. "majors," Compagnie Francaise des Petroles and ELF-Erap of France, Italy's Ente Nazionale Idrocarburi, Superior Oil of Canada, British Petroleum, Shell Oil (based in the U.S.) and Shell Internationale Maatschappij.

A company may operate in up to three of the areas, which include the central Amazon region, the Amazon river basin and offshore sites between the State of Espirito Santo and the Uruguayan border. Petrobras keeps the areas where it has already made successful finds.

One condition of the contracts is that companies buy 'Petrobras' surveys on all ten regions at a cost of £21,200. According to reports, they will also be required to deposit a sum of £160,000. Foreign companies will not be allowed to raise funds within Brazil to finance their exploration.

EUROPEAN NEWS

Pinheiro expected to stand for president

BY PAUL ELLMAN — LISBON

PORTUGAL'S Prime Minister, Admiral Pinheiro de Azevedo, is expected to announce tomorrow that he considers himself a candidate for the country's presidency.

With political attention here switching increasingly away from the poll on Sunday for a *new legislative assembly*, the Admiral's announcement is likely to add fresh impetus to efforts by the main political parties to ensure that, even if the parliamentary elections produce no clear-cut result, the parties will be in the running when it comes to selecting the new Head of State.

Under constitutional arrangements due to take effect on Sunday—the second anniversary of the coup that ended half a century of Right-wing dictatorship—Portugal is to have a president with powers similar to those of his counterpart in France's Fifth Republic. These powers will rely to a considerable extent on the approval of the military leadership and will be of crucial importance if Sunday's vote shows, as expected, that the electorate remains deeply divided.

The Admiral is understood to have decided to announce his candidature without obtaining *advance approval of his colleagues* on the armed forces' Supreme Revolutionary Council, effectively staking his claim on the grounds of his relative success in holding the sixth provisional Government together in spite of ferocious attacks from the Communists and their erstwhile allies on the revolutionary *Left*, attacks which culminated in the abortive uprising last November 25.

The Prime Minister has made known that he would rather resign than be party to any attempt to turn his Cabinet into a seventh *provisional* government designed to reflect the outcome of the election. The present Government, apart from its military members, reflects the *party support expressed in the* constituent assembly elections on April 25 last year. According to the Constitution, the sixth provisional Government is to remain in office until the presidential elections, which are *expected at the moment to take* place on June 27 or July 4.

In spite of speculation published in some foreign newspapers, General Antonio Ramalho Eanes, the army Chief of Staff, is not *in* the running for the presidency. Some observers have focussed on his declared role of ensuring a peaceful out*come to the election campaign* as a peg on which to hang wider political ambitions, but for the time being he has accepted the argument, notably from the Socialist Party and the Popular Democrats, that he should re*main where he is to guarantee* the cohesion of the army rather than stand for an office that would deprive him of day-to-day control of the troops during *what might become a new period* of prolonged instability.

He has made known that he would only become a candidate if there was a declaration from the present Head of State, General Costa Gomes, that he will stand.

Meanwhile, the Communist leader, Dr. Alvaro Cunhal to-day expressed his scepticism about whether Sunday's vote would usher in a period of political stability. "There are many elements who will not recoil before illegal processes to attack the deep gains of the revolution" Dr. Cunhal said. *"No one with an objective* view can say with certainty that there will be stability."

A taste of the kind of instability to which Dr. Cunhal was referring was provided last night when supporters of the Popular *Democratic Union (UDP)* attacked followers of the conservative Centre Democratic Party (CDS) after a [...]simbra a coastal to[...] Lisbon. In a serie[...] UDP militants, wh[...] responsible for most [...]paign's violence, [...] kicked CDS suppor[...] case causing severe [...] 76-year-old man.

The Communist P[...] sistently denounce[...] violence but partly [...] held by far-Left gr[...] UDP to have "betray[...]lution, has been un[...]cise the kind of co[...] enjoyed.

Dr. Cunhal, in a [...] to party militants [...] *Lisbon rally which* [...] early hours of th[...] made a point of e[...] thanks to the autho[...] protection they ha[...] political meetings[...] contrast to last yea[...] *when the Left-wi[...]* leadership turned [...] towards many acts [...]

Capital gains tax row in France

BY RUPERT CORNWELL — PARIS, April 21.

THE FRENCH Government's modest proposals for a capital gains tax has unleashed a torrent of complaint from every part of *the political spectrum, from* Right to Left and from trades unions and big business alike.

Such criticism was undoubtedly at least partly anticipated by Finance Minister Jean-Pierre Fourcade in a country *with a particular aversion to any* form of taxation and of fundamental financial conservatism.

However, the very least that can be said is that the scheme will have a rough ride through Parliament this summer before, as *is hoped*, it becomes law at the start of 1977. An avalanche of amendments is likely, which might provoke substantial changes in the shape of the legislation.

M. Claude Labbe, leader of the National Assembly Gaullists, claimed to-day that the tax had no supporters in his group. It would, he argued, merely pro*duce a repeat of the 1968 "death* duties affair," when the Government of the day increased such taxes, provoking not only a political storm but a capital flight that badly weakened the franc.

Within the Assembly's Finance *Committee*, the view was widespread that despite the claim that a capital gains tax would increase fiscal justice, it would in fact hit those who were building a fortune harder than those who already had one.

This had led to the paradox of some Gaullists preferring a *straight wealth tax*—although a capital gains tax has been bitterly assailed as a device paving the way for just that ultimate iniquity, when not only actual capital gains, but potential ones as well would be affected.

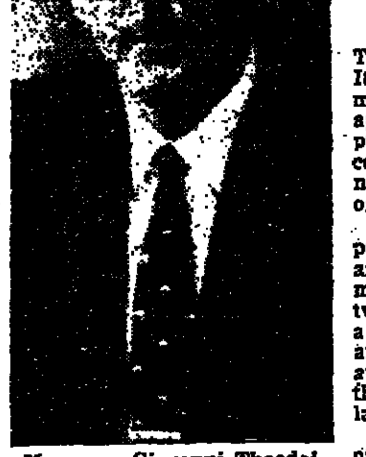
The *reaction on the Left* has been more orthodox, with Socialists and Communists arguing that not only would the project raise severe administrative difficulties but that the big fish would again escape. The Com*munist* CGT union claims that rich individuals and companies would be unscathed.

In fact, though the most legitimate criticism of the scheme is that by penalising shares (though not bonds) it will reduce the *already-waning* appeal of the Bourse, making it harder still for companies to raise cash for investment by rights issues.

The Right-wing business newspaper Le Nouveau Journal tonight branded the planned tax *as "against the* interest of the country." M. Yves Flornoy, head of the Paris stockbrokers association, said it was a tax on productive investment, which could virtually kill off the Paris Bourse.

As if to bear him out, share prices again fell sharply to-day. Since mid-March the index has dropped almost 10 per cent. despite much favourable economic news—thanks entirely to worries over the new tax.

The Napoleon gold coin however, which has been exempted, again soared to-day. Since Monday it has risen 8.7 per cent. in a generally weak gold market, and its exclusion from the scheme has been widely attacked as illogical and unfair



Marquess Giovanni Theodoli

Italian oil chief shot

ROME, April 21.

Italy's leading oilman was shot and badly wounded by a barrage of pistol fire to-day in a new escalation of political violence.

Doctors said 51-year-old Marquess Giovanni Theodoli, president of the Italian Oil Companies' Association, was in a critical condition after being shot at least eight times in the hands and legs while driving to work. Eye-witnesses *said his* car was forced to a stop by another, from which a man and a woman alighted. The man, wearing a woollen cap and dark glasses, pulled the saloon door open and emptied his pis*tol at the marquess* from almost point blank range. An anonymous phone call to the Rome daily newspaper Il Messagero claimed the "armed communist formation" was responsible.

Reuter

Fall in lira shows in higher prices

BY DOMINICK J. COYLE — ROME

THE SHARP depreciation of the *Italian lira over the past three* months is now showing up in appreciably higher domestic prices, with the increase in the consumer index in March running at an annual rate in excess of 25 per cent.

Prices last month were 2.1 per cent. higher than in February and showed the largest monthly increase for more than two years. This compares with a 1.7 per cent. rise in February and 1 per cent. in January. The *average monthly* increase throughout the second half of last year was 0.85 per cent.

Although roughly one-quarter of the March rise was attributable directly to higher petrol prices, it is clear that increases *in wholesale* prices stemming mainly from currency depreciation are now having a direct impact on consumer prices, and a further steep rise is likely this month. Imports amount to some 25 per cent. of Italian GNP.

Given a continuation of the "scala mobile," or threshold clause, in new and already overdue national wage contracts, compensation for price increases on the level experienced in the first quarter this year, combined with sharply higher raw material prices in lira terms, will soon catch up with whatever competitive edge is currently *enjoyed by Italian exporters* as a result of the decline of the currency.

The lira rate against the dollar slipped a further three and a half points to-day to 879.95 at the Milan fixing for an effective devaluation since January 20 last, when the foreign exchange market was closed temporarily, at fractionally over 28 per cent.

Domestic political uncertainty rather than any serious speculative activity continues to be the main shadow over the official market, and Italiar[...] *get their money ou[...]* other channels. U[...]tion here to the [...] measures to stem [...] banknotes—princip[...] is one of welcomin[...] co-operation but d[...] new restrictions *ef[...]* can have much re[...]

The Swiss Govern[...] limits banknote im[...]son in any three-[...] to the equivalent of [...] or just under lira7[...] staying within t[...] already limited se[...] amount of money t[...] out of Italy in any [...]

In fact, of cour[...] lira outflow is th[...] channels and it h[...]mated variously [...] lira5bn. and lira10[...] of this is said to [...] across the border [...] lucrative trade *fo[...]* which is not likely [...] (although the r[...] greater) by the la[...]strictions, given *t[...]* individual frontier [...] demand for forma[...] Anyway, the illicit [...] goes through reg[...] points.

Meanwhile, effo[...]*tinuing here to-ni[...]* the political l[...] Benigno Laccagni[...]tary of the rul[...] Democratic party, [...] with leaders of the [...] the Social Democra[...] of a "final" round[...]tions with all the d[...]ties. He is trying o[...]ment on an emerge[...] *programme as th[...]* last remaining alte[...] early general electi[...] on which will need [...] by the end of the [...]ing is to take plac[...] start of the long Ita[...] vacation.

EUROPEAN NEWS

ech 5-year plan gives top ority to industry growth

L LENDVAI

VIENNA, April 21.

T five-year plan for w approved by the k Communist party ovides for an increase l output by 32 to 34 ver the period com- ie level reached in gineering sectors are olute priority. eering industry, des- congress by Premier rougal as a "branch importance," should rowth of 48 to 51 per the next five years. y. which accounted 48 per cent. of the k exports total, ase its deliveries for 2-74 per cent.
lext of the directives sterday by CTK, the rs agency, confirms n capital goods pro- the expense of con- Thus the output of er goods sector is rise only by "about t." by 1980, which its growth rate will w the rate of overall rowth. By contrast, of chemical, paper ndustries should rise per cent based above oil deliveries. Out- ies will be doubled materials should go 42 per cent. Farm nned to increase by 14 to 15 per cent. and the country hopes to achieve gradually complete self-sufficiency in cereals.

Investments will expand by 31 per cent. to a total of Kr.800bn. (about £43m. at the tourist rate of exchange). Since this is expected to be between 31 and 33 per cent. of national income indicates the priority attached to the modernisation of Czechoslovak industry.

But both President Gustav Husak and Premier Strougal have warned that ruthless rationalisation and higher productivity, coupled with tighter labour discipline and better quality of work and management, are preconditions for continued rapid growth. Higher productivity should account for 90 per cent. of the growth of national income, which is expected to reach 27 to 29 per cent. as before, particular attention will be paid to the accelerated industrialisation of predominantly agricultural Slovakia, whose share in the aggregate industrial production of the country rose from 24 per cent. in 1970 to 27 per cent. in 1975.

In view of the virtually exhausted labour reserves, it is essential to raise productivity. Premier Strougal revealed for example that an increase of productivity by only 1 per cent. would represent the work of 70,000 additional people. It has also been announced that despite the modernisation of existing capacities "plants without prospects" will be closed, with the process beginning already during the current planning period.

Though the directives reaffirm the policy of stable retail prices for essential products, the growth of the standard of living will be at a somewhat reduced pace. Thus personal incomes in real terms should rise by only 23 to 25 per cent. as against 28 per cent. in the 1971-75 plan.

What is described as "all-round economic and technological co-operation" with the Soviet Union which last year accounted for 32.5 per cent. of foreign trade, will be the basis of the *economic plan, according* to the directives. The Communist countries last year accounted for about 70 per cent. of aggregate foreign trade. Trade with the West reached 22.3 per cent. last year according to official figures, with Britain taking third place after West Germany and Austria.

Despite the overwhelming role of Comecon, the Czechoslovak leadership and the directives stress the importance of "mutually advantageous relations with the West on a long-term basis" and the "*more extensive* utilisation of foreign licences."

otest from Polish bishops

OWN CORRESPONDENT

PRECEDING the rchbishop Poggi, the entative for working h the Polish Govern- s expected here on iscuss normalisation relations with the ill show him that state in Poland seem ollision course.

n bishops, in a letter be read in all Polish er the coming Sun- clarified their posi- ing the amendments n constitution passed y.

, reminiscent in tone rch-state clashes of tates that the church *constitutional inclu-* leading role of the nded the authorities al sovereignty must ingered by any con- foreign policy com- the Soviet bloc, and xiety that the rights f the citizens should not be defined by any one ideology.

In addition, the bishops reveal that they support among others, *independent courts of law*, free trade unions and a parliament elected in free elections. The church wants "the rights of the nation and the state to full sovereignty in the areas of national culture, economic freedom and to its own aims. . . stressed and guaranteed by the constitution."

The letter marks a sharp turn from the politics of conciliation to confrontation, for as late as February 20 the church stated that it was not dissatisfied by the changes the authorities had introduced into the constitution.

Then it seemed for once that those intellectuals who had signed letters of protest about the proposed changes would come to no harm. But now, amidst growing anxiety for the future of the dissenters the bishops also are coming out strongly in their defence, firmly restating the right of the citizen to comment on and protest at the actions of the authorities.

Further complications derive from the demolition of a chapel built without permission by the local population in the Kampinos Forest, west of Warsaw, some hours before the militia came to pull it down on the night of April 10. This has drawn the public criticism of Cardinal Wyszynski, who condemned the actions, "of those who blindly carry out the orders of their superiors" in sermons over the Easter holiday.

Thus, with the upcoming delicate *manoeuvre of raising food* prices frozen for five years at 1970 levels without provoking popular opposition, and an ideological tightening-up looming on the horizon, the authorities have had a warning shot fired across their bows that they should proceed with care.

g Carlos acclaimed

R MATTHEWS

MADRID, April 21.

N CARLOS is the s put Spain on the ocracy, according to ister Jose-Maria de a speech in Barce- night, Sr. Areilza he King as the hange," and sought m with "the transi- ss that will shortly a democratic situa-

st liberally-minded e Government, and t. Sr. Areilza is ng to use the poli- f the King to exert he heavily conser- rs of the regime. ig to block reform

r. Areilza wants to um held before the itial aim would be pular backing for a way round the sition of the Cortes t he may be losing

consultations con- ht and to-day over f the major policy be delivered by er Carlos Arias d of the month.

Indications are that Sr. Arias may spend more time outlining the "achievements" of the past four months than spelling out a concrete programme, which would represent another tactical victory for the conservatives.

Former British Prime Minister Edward Heath, who has been elected the Costa del Sol's "Tourist of the Year," had talks with the King this morning and lunched with the Foreign Minister. He said at Madrid Airport that he would welcome Spain's integration into Europe, adding that although Gibraltar had been a problem in relations between Madrid and London, he thought there were solutions available.

Next month Mr. Jack Jones, general secretary of the Transport and General Workers' Union, is due to pay a rather more controversial visit to Spain. A member of the International Brigade, who fought against Franco in the Civil War, Mr. Jones has already urged support in Britain for the new illegal Left-wing alliance of Socialists, Christian Democrats, Social Democrats and Communists.

EEC wary of Comecon approach

MOSCOW, April 21.

LUXEMBOURG Prime Minister Gaston Thorn said in an interview published here to-day that any agreements between the Common Market and the Communist trading bloc Comecon depended on the negotiating authority of the two organisations.

M. Thorn, the EEC Council President, was interviewed by the weekly Literary Gazette about Comecon's proposal last February for a "framework" accord between the two groupings.

Mr. Thorn said he hoped an answer to the proposal, which is likely to be discussed by EEC foreign ministers in May or June, would be forthcoming "before the summer."

The Luxembourg Premier said that while it was clear what powers EEC members had entrusted to the Community, it was not clear what negotiating powers Comecon had been given by its member states.

The EEC, anxious to negotiate trade deals with individual Comecon members, has so been reluctant to accept the idea of a formal link with Comecon as such, which is regards as an organisation considerably more limited in scope that the EEC. The full text of the Comecon proposal *has not been published.*
Reuter

Protest in Athens

ATHENS, April 21.

A MASS RALLY called to-day by an extreme leftwing youth *organisation* to express opposition to American bases in Greece and all aid from super-powers fizzled for lack of support from political parties.

The "revolutionary Communist Movement of Greece" organised the rally to coincide with the anniversary of the April 1967 coup which resulted in seven years of military dictatorship. Yesterday police arrested ten of its members in various parts of Athens for using loudspeakers to urge Athenians to join their rally.

Brandishing red banners with slogans against the government, the United States and the Soviet Union, about 2,000 youths to-day gathered outside Athens university. Speakers attacked the recent agreement with the United States under which Greece is to receive $700m. in military aid in exchange for the continued operation of American military bases on Greek soil.
Reuter

W. German aluminium pricing probed

By Guy Hawtin

FRANKFURT, April 21.

WEST GERMANY'S Federal Cartel Office is investigating allegations of illegal price-fixing and rebate systems in *the primary aluminium producing industry.* It is understood that practically all the major primary producers are under investigation.

Cartel Office officials have already visited aluminium producers offices to inspect files and records. Papers have been impounded and taken to the Berlin headquarters for examination.

Dr. Seigfried Klaue, a leading Cartel Office official, said that the material was being *examined* and a *preliminary* report was in preparation. From this, and observations of the market, the Office would decide whether or not the allegations were founded.

● Dr. Klaue told Handelsblatt, the influential business newspaper, that the Cartel Office wanted to handle the investigation discreetly as it had handled its investigation of similar allegations about the Federal Republic's special steel producers.

The Cartel Office's efforts at *discretion to date* have been somewhat undermined by a front page story in Handelsblatt and by investigations by other newspapers.

The aluminium producers are somewhat indignant about the allegations. Last year was the worst business year since the war for the West German producers. The sector during 1975 operated heavily in the red and many of its workers were on short time—with up to 50 per cent. of the workforce affected at some plants.

West Germany's largest producer Vereinigte Aluminium Werke had, for instance, been giving discounts of up to 30 pfenning a kilo on its list price

TURKEY AFTER THE U.S. DEFENCE PACT

Demirel's uphill fight

BY METIN MUNIR, ANKARA CORRESPONDENT

MR. SULEYMAN DEMIREL, Prime Minister of Turkey, has aged visibly in the past year. There are black rings under his eyes, deep wrinkles line his chubby face, and the fringe surrounding his bald dome has turned white. The problems he is facing, both at home and abroad, are enough to turn the colour of anybody's hair, and the past year must have been the most difficult he has had in power.

This month he celebrated the first anniversary of his coalition, a partnership between his Justice Party and three smaller Right-wing parties constituting the so-called Nationalist Front. His biggest achievement has been to keep that coalition in one piece, and to ensure that it remains in power until the general election in the autumn of 1977.

Credibility

The coalition, formed at the end of the longest government crisis in Turkish history, has brought about a measure of stability after four years of more or less constant political uncertainty. But a deep incompatibility of views among the partners, ranging from the appointment of ambassadors to the handling of the Cyprus problem, has seriously undermined the effectiveness and credibility of the Government. *Mr. Demirel has managed to hold* his partners together by making concessions to them greater than warranted by their parliamentary strength or national popularity. These fundamental weaknesses have adversely affected all Government activities and will continue to do so.

Under Mr. Demirel Turkey has taken a major step towards normalising its defence relations with the U.S., but did not make any progress towards settling the Cyprus question or towards resolving its differences with *neighbouring Greece. In Washington* last month Turkey and the U.S. signed a new defence co-operation treaty. It removed the year-long mutual tension which had come about when Congress imposed a ban on supplying arms to Turkey because of its intervention in Cyprus. Turkey will receive over $1bn. worth of American arms and exercise extensive control over the U.S. bases . Turkey.

The treaty was a major coup for Mr. Demirel because it normalised defence relations with Turkey's biggest *ally* and significantly reduced the danger of a renewed embargo. It must, however, be ratified by Congress before it can be implemented, and that will depend on an improvement of the situation in Cyprus. Though both Turkish and American officials here are confident that Congress will approve, there could be difficulties unless U.S. legislators are satisfied about Cyprus.

Should Congress not ratify, Ankara will dismantle the U.S. bases in Turkey and terminate its special alliance with Washington. It is unlikely that any progress towards a solution could thus be made under Mr. Demirel. The settlement that the Prime Minister wants is very close to the present state of affairs which both President Makarios of Cyprus and Athens find unattractive. Although in theory intercommunal talks between the Greeks and Turks on Cyprus are continuing, the chances of a breakthrough are virtually non-existent, particularly after Mr. Glafkos Clerides' resignation as chief negotiator on behalf of the Greek Cypriots.

The chances of a Turco-Greek rapprochement remain problematical. Talks on re-open-problematical. Talks on re-opening the Aegean air space and apportioning the military and economic potential of the Aegean Sea, have yet to show any signs of progress. In the long run these issues are more explosive than Cyprus.

Mr. Demirel has had some success with the economy. The *most significant one is a reduction* of the inflation rate from 30 per cent. in 1974 to about 18 per cent. in 1975. He has also successfully liberalised the banking system, enabling Turkish banks to borrow about $1bn. from the Euromarket for the requirements of commercial and industrial enterprises that could not be met locally. Helped by a good harvest, GNP has managed real growth estimated at 7.9 per cent.

Many difficulties lie ahead—inflation, unemployment, which has reached a staggering 2.5m., and a big foreign trade deficit which may be as much as $3.5bn. this year. It will enforce even heavier public and private borrowing abroad this year. On the other hand, Mr. Demirel can look forward to another good harvest this year. Coupled with an improvement in the international markets for traditional exports and in the economies of the European states it will be a help.

Student clashes

Mr. Demirel's worst failure has been an inability to bring an end to the war between left and right-wing students in which over 40 have been killed and hundreds wounded or arrested since he came to power. Encouraged by protection from the Government, right-wing students are battling for campus control. Mr. Demirel has threatened to declare martial law and no end is in sight to the student clashes which have become a constant and distressing factor in Turkish political life.

While Mr. Demirel has been steadily improving his stock his chief adversary, the former Prime Minister, Mr. Bulent Ecevit, has been suffering a surprising eclipse. Mr. Ecevit, who rose to prominence when his Republican People's Party emerged as the biggest in the last election and particularly when be sent the Turkish army to Cyprus in 1974, has not lived up to his early promise. Disheartened by his fall from power after the war, he has not made his mark against Mr. Demirel in opposition. His hold on his party has weakened, and there has been a split in the highest echelon, further weakening Mr. Ecevit's position in parliament and in public eyes.

Aegean drilling permits issued

ANKARA, April 21.

THE TURKISH Government has granted the state-owned petroleum company drilling licences covering a total of 2m. hectares, including areas contested by Greece in the Aegean sea, an announcement said here to-day.

The Turkish Ministry of Natural Resources said the licences were granted to the Turkish Petroleum Corpn. (TPAO) for oil exploration studies within the continental shelves and beyond the territorial waters of Turkey's three surrounding seas: the Black Sea, the Aegean and the Mediterranean.

In 1974, Turkey and neighbouring Greece were on the brink of an armed clash over the Aegean drilling rights after Turkey claimed a stake in rich oil deposits discovered by Greek prospectors.

Turkey maintains that the Aegean Sea shelves are an extension of the Asia Minor peninsular mass while Greece contends that its small islands scattered about in the Aegean have also continental shelves.

The announcement said the company's findings from the seabed studies in the seas are still in the stage of evaluation.

The TPAO extracts over 21,000 barrels of oil daily throughout Turkey from wells located mostly in eastern Turkey.
AP-DJ

● Rompetrol of Romania was to-day chosen by the public petroleum enterprise to undertake drilling for oil in the Nestos Estuary, Northern Greece, reports Reuter from Athens.

The Romanian company was preferred over Technip Geo*production of France* and Saipem of Italy which had also submitted offers, based on specifications issued to the three firms.
Agencies

Political programme issued in Ethiopia

ADDIS ABABA, April 21.

ETHIOPIA'S PROVISIONAL Military Government to-day issued its first detailed political programme, heralding a "people's democratic republic" and "the spreading of socialist philosophy."

The programme on "national democratic revolution" included regional autonomy for various *nationalities, which may hold* significance for the Red Sea province Ofcritrea where secessionists are waging guerilla warfare against Ethiopian forces.

The major policy statement was the first detailed political analysis from the military rulers since they took power from the late Emperor Haile Selassie in September, 1974.

In the programme, they declared their support for all democratic parties with anti-feudal and anti-imperialist objectives, in order ultimately to set up a "people's democratic republic."

The programme said the formation of a united revolutionary front was necessary before the *election of a People's Revolutionary* Assembly and the creation of a republic under the *leadership of a working class* party.

No timetable was given for the programme, but a separate proclamation announced the establishment of a people's Organising Provision Office with a 15-man commission working with the Head of State through a "supreme organising committee."

The commission's task according to the Government programme, is to co-ordinate "the spreading of socialist philosophy. . . as well as to facilitate the efforts of the masses to organise themselves and their struggle to form a people's revolutionary front."

Informed sources said such a "politburo" already exists to advise the country's *military* rulers, and that the provisions of political parties have been *canvassed by some of its* members who support Chinese-style socialism.

Publication of the programme had been widely anticipated following increasing pressure from various groups which maintain that it was not only the military which was responsible for the overthrow of the feudal regime.

To-day's announcement followed a rare radio broadcast last night by the first Vice-Chairman of the Provisional Military Administrative Council, *Major Mengistu Haile Mariam,* on the progress of the revolution.

Reuter

Israeli troops reinforced amid West Bank clashes

JERUSALEM, April 21.

REINFORCED ISRAELI Army units maintained an uneasy peace to-day in the occupied West Bank of the Jordan, but clashes were reported between the troops and rock-throwing crowds.

Security forces were strengthened throughout the West Bank and in East Jerusalem to prevent new outbursts of violence following an upsurge of Arab unrest.

Shops were closed and pupils stayed away from school in the *West Bank town of Tulkarm,* where Israeli military authorities imposed a curfew on the *market and the nearby Arab* refugee camp, after crowds had set up barricades across main *roads.*

Police with batons quickly dispersed a group of Arab school-*girls who set fire to some tyres* in the Old City of Jerusalem.

About 40 Arab girls staged a *demonstration march from* Temple Mount in Jerusalem, but scattered when they saw Israeli troops approaching.

Elsewhere all was quiet in the Territory, scene of increased tension since a two-day march through the West Bank earlier this week by an estimated 20,000 Israeli nationalists.

*The march organisers main-*tained that Jews have an historic right to all of biblical Palestine—including the West Bank which Israel has occupied since the Six-Day War of 1967.

The Mayor of Tulkarm, Mr. Hilmi Hanoun, has said that Arab unrest will continue throughout the West Bank as long as Israel establishes new Jewish settlements in the area.

Five West Bank Arabs have died since the latest wave of *protests against Israeli rule* began late in January.

Occupation authorities have *moved in unusually high* numbers of police and border guards to patrol Arab Jerusalem since this week's march.

The Israeli Government *so far* has authorised only 21 new towns at strategic points along the River *Jordan.* The Prime Minister, Yitzhak Rabin, toured the region on Tuesday and *declared the Jordan* a border vital for Israel's security.

"No settlement was built to be dismantled," he said. He has promised that the Cabinet will soon hold a debate to come up with a definitive West Bank policy.

Mr. Rabin told the Al Hamishmar newspaper that the Government was ready to negotiate territorial withdrawals *to reach* a settlement with Jordan, but would submit the final version *of any agreement to the people* before returning occupied territory.

Agencies

Japan's economic upturn

BY PETER DUMINY

TOKYO, April 21.

JAPAN'S PUBLIC transport strike will reach its peak to-morrow morning, when virtually all services (including buses and some taxis) will be suspended until noon.

However, in the following 18 hours all trains and other services are expected to return to normal. Should that go according to plan, the annual spring wage offensive will have been rounded off with the usual set-piece confrontation between management and labour, as usual largely confined to public transport. Postal workers have staged token walkouts, as have some other public employees.

Most trains and subways (most of the latter privately owned) will have been idle for 72 hours throughout the country, if the strike runs its full course until midnight to-morrow. The only possible alteration to this programme appears to be that sub-*way workers will soften their* demand for an average 10 per cent. wage hike and return *to work during the day. Manage-*ments' latest and probably final offer is around 9 per cent.

All this tends to show that labour has adopted an attitude of comparative restraint this year, *both in not making the spring* strike bigger than last year's model, and for being willing to settle for substantially less than last year's 15 per cent.

Meanwhile officials take the line that the economy is now forging ahead, implying no worries that wage increases may be coming out too low to stimulate consumer spending and business activity generally.

However, many of the figures being quoted are on closer examination incomplete or otherwise unconvincing, strongly suggesting that one of the im-*portant things going on at present* is a campaign to talk the economy up (in much the same way as wages and inflation were effectively talked down in the past two years).

Moreover, it is widely assumed that the utilities bumped up their capital expenditure programmes by \$2.5bn. to \$8.6bn., largely because Miti prodded them into doing so. Whether Miti will be as successful in getting them actually to spend the money, is thought to be quite another matter.

Manufacturing industry presents a mixed picture according to the Miti figures. The steel industry's outlays are due to rise 20 per cent. to \$4.8bn. and those of the motor manufacturers by 18.6 per cent. to \$1.3bn. However, investments by the oil refiners are booked to fall 30 per cent. to \$1bn. and those by petrochemicals makers by 25 per cent. to \$875m. There would also be *declines in the non-ferrous metal* and paper and pulp industries.

The economic planning agency claims to be especially pleased with the latest crop of labour statistics. These show the first upturn in employment of so-called regular employees for 14 months, that overtime has crept *up for nine months in a row, and* that the ratio of job seekers to job offers has fallen for the third *consecutive month.*

One sign of this is the stress still being laid by the economic *planning agency on February's* 15.7 per cent. year-to-year increase in department store sales *(the leading consumption indicator),* even with the March figure already out and showing a rise of only 7.7 per cent.

BOYCOTT OFF

The Lockheed payments issue went visibly off the boil yesterday when Japan's three main Opposition parties agreed to resume parliamentary activities after a six-week boycott. Public opinion on the issues failed to build up as the Opposition must have hoped. They have accepted a face-saving formula, worked out by the Speakers of the two Houses and presided over by Mr. Takeo Miki, President of the Liberal Democratic Party.

The Diet will get back to work immediately. For the *past six weeks Budget Bills* have been the only ones looked at.

Beirut tense with PLA still active

By Michael Tingay

BEIRUT, April 21.

TROOPS of the Palestine Liberation Army were expanding their patrols in western Beirut to-day as efforts continued by the Higher Military Committee to enforce the latest ceasefire.

PLA troops, which have been conspicuously absent since their peace-keeping activity in west Beirut in January and February, had already moved into the museum area after yesterday's meeting by the Committee. The Esselly Villa and Ministry *of* Health buildings there are the two meeting places of the body formed *of Lebanese, Syrian and Pales-*tinian officers.

While the PLA searched for *positions along the battleline* there were conflicting reports about whether the Nasserite Mourabitoun forces, which have been firing on the crossroads, had actually pulled back their gunmen.

Pakistan aid

Pakistan will not ask for a moratorium on the repayment of loans at the forthcoming World Bank Aid to Pakistan Consortium meeting, reports our Karachi correspondent. Shahid Hussain, special assistant to *the Prime* Minister, expressing the hope that Pakistan would receive from the *Consortium* a *"substantial* package" of aid, told newsmen that Consortium countries had pledged \$600m.

Iraq oil

Iraq has stopped pumping crude oil along a pipeline passing through Syria to a refinery in the Lebanese port of Tripoli, a Beirut newspaper said yesterday, reports Reuter from Beirut.

In February negotiations between Iraq and Syria to renew an agreement, under which Iraqi crude was pumped to Syrian refineries and across Syria were adjourned.

Thai Government

*Thailand's new four-party Conser-*vative Coalition Government, led by Prime Minister Sewi Prandj, *was officially announced yesterday,* reports Reuter from Bangkok. Its first test will probably come next week on a vote of confidence, in its general policy statement.

S. Vietnam move

South Vietnam and Laos have indicated they will send delegates to the *ninth annual meeting* of the Asian Development Bank governors beginning in Jakarta *to-day, reports Hamish McDonald.* This would be possibly the first participation by the new regimes in a regional forum.

PROSPECTS FOR THE FIJIAN ECONOMY

A living on the coral

BY A CORRESPONDENT IN FIJI

SWAYING palms and tropical seas are no consolation when the paraffin for the stove and *refrigerator runs out,* and when the car petrol tank goes dry. It happened in Fiji during an 11-day strike of fuel truck drivers, now ended. Conciliation talks about the drivers' demand for a 20 per cent. pay increase will be held.

Petrol, diesel, and kerosene are as much the lifeblood of these islands as the sugar cane juice and coconut oil of its staple crops. Diesel powers the electricity plants. The strike served to re-emphasise Fiji's complete reliance on outside fuel sources, a dependence which has hit the islands hard.

Higher air travel costs have chopped off the upward curve of *income from* tourists. The 11,000 miles from London, 1,400 from Auckland, New Zealand, the 5,500 from San Francisco, the 1,700 from Sydney, the 6,800 from Tokyo have become expensive miles. High costs will prevent Fiji from becoming a tourist slum. Only the better off and those taking a "once in a lifetime" trip can afford to come. But once here, the expense is worthwhile.

Fiji is currently enjoying its best external payments in a decade. High sugar prices have enabled the reserves to climb above \$Fiji100m. (about £61m.). But sugar output has been declining *for years. Farmers* are not producing as much as they could. The reasons are rooted *in the historic make-up of* the Fijian nation. The Fijian tribes own the lands. Indian *tenant farmers* on short leases do the producing. It says much for the basic phlegm of all Fijian citizens that in spite of major economic aggravations, theirs is a multiracial society working determined at peace with itself, and to date succeeding admirably.

The population is 51 per cent. Indian, descended from the indentured labour which the British brought in; 42 per cent. native Fijian—*those erect,* broad-shouldered Pacific islanders of the tourist brochures: 2.3 per cent. part European, *0.6 per cent.* European, 1 per cent. Chinese, with "all others" accounting for the rest.

The ruling Alliance Party is that of the native Fijians with *part-European* and European supporters and with some support from Indian alliance members. The Opposition National Federation Party *is primarily* Indian with some native Fijian support.

Land reform is at present being debated and there are members on both sides of the House—perhaps a majority—who are anxious to improve agricultural output, and believe that a 30 year lease programme, to replace the normal 10 year lease, would help.

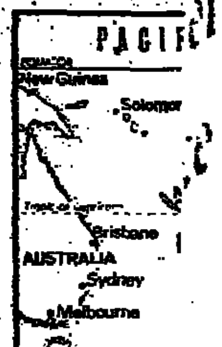
Native Fijians are not committed farmers. But, owning the land, they control the destiny of an island nation which relies for its economic survival primarily on agricultural exports. Sugar cane, copra, gold, with tourism, are the main foreign exchange earners.

Fiji this year had orders for 420,000 tons of sugar. It was able to supply only 340,000 tons, though sugar production is increasing after four years of steady decline. The problem is that the land is not as productive as it might be. The Indian tenant farmer, on his 10 year lease, *is reluctant to put money* into fertiliser and drainage. Increased lease acreages on longer *terms not only remedy that* but could bring more land into production for cattle, cane, timber, and vegetables.

Three-quarters of the Fijian population of 550,000, which has *doubled in about 25 years,* live on the main island, Viti Levu. Nearly half the population is under 15, forcing the Government to concentrate on providing jobs.

An expanding agricultural sector based on newly opened up lands would help. Fiji expects to be self-sufficient in beef within five years, and there is potential for packaging for export eventually. Japanese corporations are establishing a fish canning industry, and there is copper to be found. Most of all, the Government is pleased with the potential for lumber, chipboard and pulp. The forests already abound in hardwood. The Government is starting to seed otherwise unproductive inner *regions for soft, island pine. The* Seventh Development Plan (1967-80) calls for 134,000 acres *of softwood by 1978.*

The number of tourists dropped off markedly in 1974-75 *—ending a period of rapid* growth. Australians, New Zealanders, Canadians and visitors *from the U.S. are the main* groups, and Fijians are anxiously waiting for an upturn in the economies of those countries.



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HOME NEWS

w over Europe -price flights

R SANDLES

-oken after Cosmos i's second largest ed holiday flights a greatly reduced

ays, which stands derably if traffic from scheduled iese cheap flights, r. Gerry Draper, irlines' travel divi- move by Cosmos ekery of Govern- n."

fares—£35 for a l, £40 to Ibizi are exploiting current overning package ull.

duled fares, pack- s are not fixed. An llowed to charge s provided he is "package"—trans- l, usually, accom-

owever, it has be- hat the licensing d, the Civil Avia- y, is not particu- d with the quality ation. Cosmos is eoretical package admits that the n involved is of andard that only a its customers will t.

Jones, managing osmos, said yester- ares were simply a getting to holiday pect some people to accommodation but not to."

le was opened first al scale last year by idays which offered rs giving hostel or n accommodation. s that most of its ents use facilities company succeeded in convincing the authorities of this when operation of the tours was opposed bitterly by British Airways.

Now, Cosmos seems to have taken the definition of a package several stages further. Much of the accommodation will involve shared rooms without running water. By booking one of the holidays, and not using the rooms offered a traveller will be able to go to Switzerland for £31—little more than half the scheduled fare—and to Athens for £56.

There have been hints that the authority expects operators to respect the freedom to manoeuvre and obey the spirit of the rules as well as the literal meaning.

Into open

It is for this reason that the trade generally seems upset by the Cosmos ploy. It is feared that the cheap fares will force the authority into re-making the regulations in order to stop these packages. A major worry is that the authority of the Government could re-introduce provision one, the rule which governed tour operating in the 1960s and forbade the sale of tours at a price lower than the applicable scheduled airline fare.

Mr. Jones defends his action saying that cheap fares are available to people who choose to go to back-street travel agents. Cosmos simply is bringing them into the open.

British Airways faces the decision over whether or not to ask the Civil Aviation Authority to revoke Cosmos's tour operating licence. In order to get a revocation the airline would have to prove that the Cosmos tours were not genuine.

Telegraph to switch magazine to Sundays

By Lorne Barling, Industrial Staff

THE DAILY TELEGRAPH announced yesterday that its Friday colour magazine is to be transferred to the Sunday Telegraph in the autumn, providing a competitor for the Observer and Sunday Times magazines.

In a letter from the newspaper's management to its trade unions, the change was explained as an attempt to improve the circulation and advertising content of the Sunday Telegraph and to cut the magazine's production costs.

The magazine, which boosts the Friday circulation of the Daily Telegraph by about 60,000, is at present printed by Eric Bemrose of Liverpool, but a "better tender" had been received from Odhams of Watford, the letter said.

"As I'm sure you realise the Sunday Telegraph is showing encouraging signs of growth both in circulation and in advertising volume," it added.

Although there will be a considerable saving by printing only about 750,000 magazines to match the Sunday Telegraph circulation, instead of about 1.3m. for the Daily Telegraph, there will also be a proportionate fall in advertising revenue.

Although trade unions within the Daily Telegraph and Sunday Telegraph are expected to be only marginally affected by the change, they are being informed and consulted.

Taylor Woodrow Construction in 12m. tons opencast coal deal

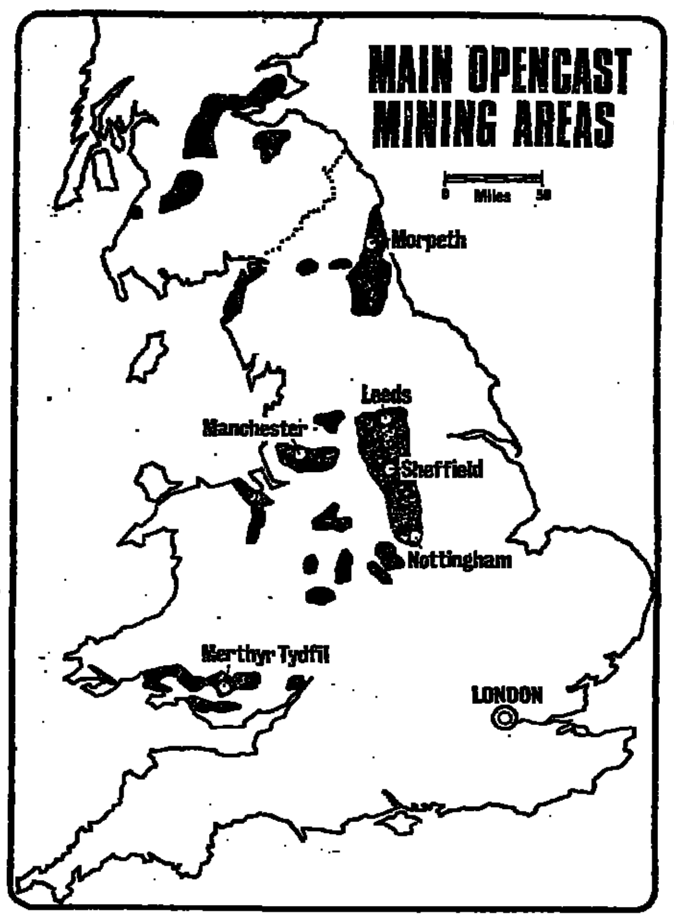
BY ROY HODSON

OPENCAST coal mining received a boost last night and the contracting company of Taylor Woodrow Construction won its biggest British contract *when the National Coal Board* accepted a Taylor Woodrow tender valued at more than £130m.

During the next 10 years the company is to extract 12m. tons of coal from a vast opencast site at Butterwell near Morpeth, Northumberland stripping the ground away to a depth of 450 feet in places and replacing, reinstating, and landscaping afterwards.

The Opencast Executive of the National Coal Board has been anxious to mine the Butterwell coal reserves for the last eight years. There have been two public inquiries into the project, which involves the taking of some 2,000 acres of dairy farmland out of use for *about 10 years*.

Mr. Anthony Wedgwood Benn, the Energy Secretary, finally authorised exploration of the site in January. It is thought he was influenced by the results of the second inquiry coupled with the Government's new requirements for more opencast coal production as part of the NCB's overall Plan for Coal which involves a capital investment of £1.6bn. towards expanding British coal production.



The Opencast Executive has been told to work to a strategy for expanding opencast production from the curent level of 10m. tons a year to 15m. a year by 1980. Opencast coal has an important role to play *in the total coal expansion* plan: not least because it is very cheap to produce compared with deep-mined coal.

"While the NCB has been in deficit in recent years and will, at best, break even this year, the opencast sector of mining is producing coal at nearly £2 a ton profit after spending 24p for every ton of coal opencast mined on the restoration of land and compensation for temporary loss of use.

The Butterwell site will give 1.2m. tons a year of good quality power station coal and will thus make an important contribution to the opencast mining expansion programme. Nearly 500,000 tons a year will be shipped out of the port of Blyth to power stations and industrial users in the South East of England. The NCB has also put in a planning application to build a spur railway line to take more of the Butterwell coal by rail down to the Midlands power stations.

Only 450 people will be employed on the site, which will be dominated by the giant drag-line called Big Geordie. At present Big Geordie is working on another site nearby. It has been hired by the NCB for Butterwell and will shortly "walk" 2½ miles to the new site across a prepared route on its own feet. While working the Butterwell site the drag-line will be shifting earth to reach the coal at a rate of 100 tons for each bite of its drag bucket. It will move 4,000 tons an hour.

Both Taylor Woodrow and the NCB last night welcomed the Butterwell contract.

Home Office attacked over computer chaos

BY RICHARD EVANS, LOBBY EDITOR

LACK OF expenditure control in the Home Office was criticised by MPs yesterday, after computerised chaos had left some civil servants without pay and *others "owing" £50,000* in income tax.

The error was discovered by the All-Party Public Accounts Committee, which investigates lax public spending procedures, because of excess Home Office votes of £4.75m. in 1974-75 to cover the under-estimation of pay needs.

A significant proportion of the 35,000 Home Office and Prison Service staff was affected when the pay department had to handle a mass of new pay awards at the same time as a new computer system was being installed.

Unhappy coincidence

Mr. D. A. Peach an assistant secretary, admitted that the chaos resulted partly, too, from inadequate monitoring and supervision. He told the committee: "This meant that a lot of people were not getting paid at all or were being deducted £50,000 in income tax—it was as serious as that."

There had not been an opportunity to prove the new computer system and the new pay roll programme which, "by an unhappy coincidence," were introduced at the same time, he said.

There had also been mistakes in the original calculations of the estimates.

"I think in a normal year, we would have had time to get the bugs out of the computer programme. It was not the computer's fault: we were feeding it wrongly."

The Home Office representatives also disclosed that there were now 120 civil servants in the pay department, compared with only 80 before the computer was installed.

The "watchdog" committee, chaired by Mr. Edward du Cann, Conservative MP for Taunton, calls for greater accuracy in Whitehall spending departments.

"We trust that spending divisions are now fully alive to the need for accuracy in estimating; that the assurances which we have been given about the improvement in financial control . . . will prove to be fully justified; and that such widespread errors will not recur."

First report from the committee of Public Accounts; Session 1975-76—Excess Votes: S.O. 40p.

Drop in output of beer

BY KENNETH GOODING, INDUSTRIAL CORRESPONDENT

A REMARKABLE 20 per cent. drop in beer production in Scotland during February compared with the same month a year ago was not reflected in sales, according to the brewers.

The Customs and Excise statistics published to-day show beer output in England and Wales down 6.5 per cent. in February. For the U.K. as a whole the drop was 8.45 per cent. at 2.44m. bulk barrels (288 pints to the barrel).

One explanation for the fall in Scottish production was that the Harp lager brewery in Edinburgh was installing new equipment

Scottish and Newcastle Breweries, the major producer in Scotland, maintained last night that the production results for the country in no way had been reflected in its sales which were as forecast and "not down by anything like the output."

The February statistics, coming after a January performance which saw U.K. output down 16 per cent., brought the brewers no cheer at all. Although indications are that March will not be as bad, the signs are that increased prices are having their impact and the recession has at last reached the industry.

30 holiday companies d £12.9m. profit

R SANDLES

PACKAGE tour a profitable year in e first time since t figures from the y giant Thomson d to boost the net 30 *largest companies* return of 4.6 per over.

remarkable achieve- ight of the preced- 1974, the industry st £3m. and even ludes the spectacu- olved in the Court

duced by the Civil hority on the state try show that the l names vary from lost £8.9m. among 2 and £400,000 in ures for 1975 have l by the authority with some surprise. It was "a better year for travel organisers than had been expected."

The authority keeps a close watch on the financial standing of tour operators and has the power to take away licences if it feels customers may be in danger of being stranded.

The present concern in the industry is that the encouraging 1975 figures may tempt some operators to be over-ambitious. There are signs that 1976 will see a 15-20 per cent. drop in the market and already some operators have had to "consolidate"—a trade euphemism for a cut back in their programmes.

From the CAA figures it appears that tour operators made about £5 profit on each passenger. Five years ago, when a summer holiday in Spain cost about £45, £1 was regarded as respectable.

TOUR COMPANY PERFORMANCE

£m.

over	Profits	(Losses)	Net results	Net results as % of turnover
5.0	1.9	(10.8)	(8.9)	(4.3)
5.5	.25	(2.9)	(0.4)	(0.2)
6.7	1.8	(4.8)	(3.0)	(1.3)
8.3	13.7	(0.8)	12.9	4.6

NatWest seeks to raise charges

By Michael Blanden

NATIONAL Westminster Bank is expected to put in an application for increased charges on current accounts fairly shortly following the rises announced by Barclays Bank.

A NatWest spokesman indicated yesterday, however, that the bank may not follow the same pattern as Barclays. The increases which the Price Commission has allowed Barclays to impose involved mainly a doubling in the amount which personal customers have to hold in their accounts in order to qualify for free banking.

They will now have to keep a minimum balance of £100 or an average of £200, against £50 or £100 previously. But NatWest said: "We have a certain affinity towards our present £50 minimum balance arrangement. This may well remain when, in due course, we shall be seeking to make suitable submissions to the Price Commission to increase charges."

NatWest's increases may concentrate more on the charges levied on customers who do not meet the minimum requirement for free banking. At present, 7p a time is charged by NatWest for each withdrawal by customers in this group provided they are not overdrawn. Barclays is raising this charge *from 7p to 10p*.

Neither of the other big four clearing banks, Lloyds and Midland, has specific increases prepared. But it is thought likely that they will make some move shortly.

ch guide for small firms

TIMES REPORTER

PROJECTS of st to small com- d in a publication ay by the Depart- try.

—"Small Firms: search"—has been information sup- emic institutions, training schools, ciations.

It provides summaries of nearly 100 research projects, completed or in progress in the U.K. The results, says the Department, may interest small companies and those concerned with assisting or advising them, including research and educational establishments.

"Small Firms: Register of Research, SO, £2.50.

Wilkinson in Finnish scissors deal

By James McDonald

WILKINSON MATCH—better known for its Wilkinson Sword brand name—is extending its product range to include scissors as the result of an agreement with Oy Fiskars of Finland. *Under the agreement* Fiskars will make a range of high-quality scissor products for sale under the Wilkinson Sword name, which is currently used for razor blades, and a wide range of stainless steel garden tools.

"Scissors represent a new world-wide product category for our company," said Mr. Christopher Lewinton, chief executive of Wilkinson Match. "Although initially we will confine the launch to the U.K. we are already looking at other regions of the world where the Wilkinson Sword name is established."

The U.K. launch of the new-name product will be in June, backed by a national Press and test television campaign.

Call to boost small companies

THE UNEMPLOYMENT problem could be nearly solved if small companies took on one extra worker each, Mr. David Mitchell, MP for Basingstoke and chairman of the Conservative Parliamentary Smaller Businesses Committee, said yesterday.

"It is not generally appreciated that many of those unemployed are there because so many small companies, who number millions in the country, have had to cut back.

The star system in tennis works to the advantage of the successful player. John Barrett argues that this need not be bad at all for the sport provided there is a

Stairway to the stars for the younger players

THE RICH get richer, and the poor get poorer—a tendency in life that is perfectly reflected in to-day's world tennis scene. While the on-court earnings of the top seven men professionals last year—headed by Jimmy Connors, on $600,273—all surpassed $200,000, and totalled a remarkable $2,108,566, and the top six women—led by the record-breaking earnings of $412,977 by Chris Evert—each exceeded $100,000 to total $1,127,871 between them, it became harder than ever for the aspiring young professional to break into this charmed circle.

Meanwhile, on less lush British pastures — where open tennis was born eight years ago and another season opened last Easter week-end with the holiday tournaments at Southport and Birmingham, followed by the Robinsons event in Norwich this week — the singles winners will each receive £80.

However, the British game is healthy enough at its three peaks, the £52,000 Coca Cola hardcourt championships at Bournemouth next month for men and women, the mid-June £50,000 John Player tournament for men in Nottingham, which coincides with the £50,000 Colgate tournament for women at Eastbourne, and on the following week, Wimbledon itself. The prize money here is up by £40,315 to £157,740. The two autumn events are the Dewar Cup ($100,000 for men and the women's prize money has yet to be announced) and the new £54,650 Benson and Hedges tournament for men at Wembley.

Even though there are casualties elsewhere—such as the venerable Surrey championships at Surbiton, ended through the decision of Britain's original tennis sponsors, Rothmans, to finish their long association with the game—there are welcome additions. The successful Chichester tournament at the start of June is being supported by Schweppes, under their Rose's Lime Juice banner. The same week, the once-great Manchester tournament is to be revived with local sponsorship. A week later, the Robertson tournament at Beckenham has doubled its prize money to £12,850. And at a lower level, the Guildford event next month introduces a retail sports group, Supasports, for the first time as sponsors.

Then in the autumn there is the £20,000 Trophée Pernod, a three-tournament circuit including events for international under-21 players, as well as open senior events.

Thus despite the unfavourable economic climate, the sponsors in Britain already mentioned, plus those other two strong supporters of the junior game, BP, with their International Tennis Fellowship, and Green Shield, with their grass roots scheme will together spend some £415,000 on tennis. This figure does not include the Wimbledon prize money, or the extra £100,000 approximately (twice last year's amount) that Wimbledon will raise from commercial companies. But what is proving difficult in Britain now is to interest sponsors in support for the developing players, for whom the ravages of inflation are making it difficult to pursue a tennis career.

This polarisation between the super-rich superstars, and the struggling apprentices, is both inevitable and even necessary in a healthy professional sport, provided there is a stairway to stardom for the talented youngsters to climb. One of the most heartening developments, therefore, has been the integration of men's and women's small satellite circuits, with the mainstream events first in America and now elsewhere, through the co-operation of the two players' unions, the Association of Tennis Professionals (ATP) and the Women's Tennis Association (WTA).

The spring circuit

The European spring circuit for men has been enormously successful, as has been the eight-tournament World Association of Tennis Champions (WATCH) circuit in Florida, where our ninth ranked man, Richard Lewis, has been learning his trade. This week the leaders play the WATCH finals for prize money of $10,000, and precious ATP points on the computer ranking list—a mathematical measurement of achievement by which entries for all Grand Prix t. urnament are decided.

Mr. Sob Briner, who has recently taken over from Mr. Jack Kramer as executive director of ATP, told me: "We see this development as the most vital of all our current activities. Mobility between levels of tournaments, based on performance, is essential to promote a healthy growth within the professional game. Already the Sugar circuit in South Africa, the Boltex circuit in Sweden, the New Zealand New Year circuit, and the Pacific NW circuit in America have indicated their intention to fulfil the conditions we have proposed."

The Women's Futures Tennis Tour, jointly promoted by WTA and the U.S. Tennis Association (USTA), does a similar job for the women, but with an even more immediate reward for success. Besides having a $10,000 play-off final for the eight-points leaders, like the men, at each of the nine weekly tournaments, the semi-finalists are promoted to the following week's Virginia Slims tournament — the $900,000 women's American circuit that has been breaking all records. The 10 weeks of indoor play have drawn 306,880 spectators, a 40 per cent. increase on last year's figures. That does not include attendances for last week's $150,000 Los Angeles play-offs, which were won on Sunday by Evonne Cawley with a rare victory over Chris Evert.

Even before the final tournament had begun last week in Los Angeles, Australia's Mrs. Cawley had assured herself of the handsome Silver Ginny Award, the prize for circuit winners which has been won in previous years by Billie Jean King (1972), Margaret Court (1973), Chris Evert (1974) and jointly by Miss Evert and the dynamic young self-exiled Czech, Martina Navratilova (1975). In winning five of the seven tournaments she has contested (she lost in the final of the other two) Mrs. Cawley has won a total of 33 matches. The last 15 were won without conceding a set. She has already won $93,675 this year, to Miss Evert's $79,725, and Britain's Virginia Wade's total of $46,500. Even the second-ranked British player, Sue Barker, had won $16,400 for finishing in 13th position before the start of last week's final.

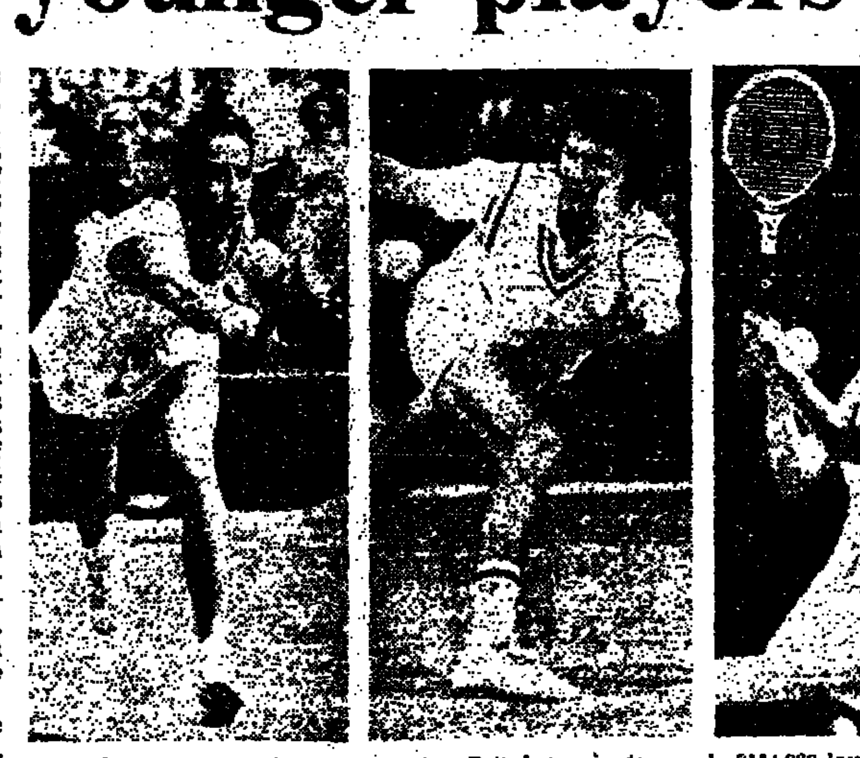
With three other $100,000 tournaments, the Leggs World Series in Dallas in January, the Bridgestone Tire Doubles in Tokyo, and Florida's Family Circle Cup, both in April, plus half the $80,000 prize money for the mixed doubles tournament in Dallas in January, the women will divide $1,240,000 in the first third of the year, with the income to look forward to from team tennis, in which most of them will take part, as well as the Grand Prix championships like Rome, Paris and Wimbledon that include women.

The survival of team tennis in America has been one of the game's major success stories—against the odds. The inter-city league concept was opposed by the establishment at all levels. But after a year of near-disaster in 1974, a revamped league last year broke even, and made profits for some owners. The current president is Mr. Larry King, Billie Jean's lawyer husband. He was one of the four founders who in 1974 sold the 16 original franchises for $50,000 each. Many of them have changed hands since then and there have been some flamboyant failures, like the much-vaunted Philadelphia Freedoms, where Mrs. King and our own Buster Mottram were among the original members.

Mr. King estimates that the Phoenix Racquets franchise, which changed hands for $200,000 in 1974, is now worth between $3m. and $5m. If the league succeeds this year, then his lesser figure will be near the mark, because there is great prestige as well as profit associated with ownership of a succesful U.S. sporting franchise. The arrival at Phoenix of Chris Evert, plus the decision of Romania's colourful Ilie Nastase, to sign for the Hawaii Leis, cannot hurt their chances of success.

If team tennis succeeds and expands, it can only be at the expense of the Grand Prix circuit. The decision last week of Commercial Union to end their association with the $5m. worldwide points-linked circuit, which has established professional tennis as a major world sport, might not be so badly timed.

The £1.5m. CU will have spent during their five years' involvement has represented excellent value in achieving their original objective, which was to gain wider recognition for its name in areas where it was hardly known. Even if the company had not turned in bad results recently, it might still have decided to leave the scene, and the significant thing is that there is no shortage of companies waiting to take over the role as the world's major sponsor.



Miss Virginia Wade (left), top-earning British tennis star, made $134,000 last [...] Evert (right) was the most successful woman player internationally, taking [...] Mr. Jimmy Connors led the men with $600,000.

Mr. David Foster, the British-born chairman of the giant American conglomerate, Colgate-Palmolive, would value the chance to do in men's tennis what he has achieved so dramatically in women's golf and seems likely to achieve in women's tennis through his company's association with the Federation Cup.

There is a German giant, too, Adidas, whose promotional ambitions in tennis would be well served by becoming the Grand Prix sponsor. And there are others too waiting in the wings for the chance to spend their money on this boom sport of the moment.

A clean image

At first sight it might seem surprising that there is such a flood of money pouring into tennis, but more and more companies see the value of associating themselves with a world-based sport that largely projects a clean, bright image. In America where 25m. play tennis regularly and another 50m. play occasionally, skill in the game has become a socially desirable accomplishment. There are now at least 130,000 courts in the U.S., an increase of 10,000 in the past year. At the beginning of 1974 there were almost 34m. Americans playing indoor tennis on 7,000 courts. There are now some 7,500 courts at 1,550 indoor centres which, over the past three years, have been opening at the rate of almost one per day. The tennis-mad American public spent $350m. on equipment alone last year and millions more on private courts, club subscriptions and tennis camp holidays. That is the extent of the boom.

This soaring interest is reflected in the expanding prize money at the U.S. part of the Grand Prix tournaments. This year the 14 stops on the circuit will offer at least $1.6m., an increase of $450,000 on 1975. The money comes largely from commercial organisations who see professional tennis as a sound investment in terms of advertising and public relations.

There is no sign that the flood is abating. Indeed the Grand Prix bonus pool which this year will total $1m., is expected to reach between $1.75m. and $2m. next year with a first prize of perhaps $300,000 against the $100,000 offered last year.

Part of this increase may come from the most successful of all the independent groups—World Championship Tennis, a Dallas-based corporation specialising in tournament promotion and tennis-oriented real estate development. Their streamlined 13-tournament World Series of Tennis next year is expected to become part of the Grand Prix — something that would greatly strengthen both. It would also bring the wheel of conflict full circle for ironically it was the tacit objective of the Grand Prix when it was founded in 1970 to kill off WCT who were then threatening to undermine the traditional tournament game by signing star players to large-sum individual contracts.

During their nine years in tennis WCT have distributed a massive $11.7m. in prize money and they have always been prepared to innovate and experiment. This year for instance a new Avis challenge series worth $320,000 has been superimposed upon the existing $2.4m. prize money structure which includes a new $50,000 Vantage doubles bonus pool that augments the $115,000 singles pool supported by the Haggar Slacks Company.

Controlling this rapid expansion of the p[...] has been the [...] especially in th[...] sheer weight [...] complications [...] Laws have [...] growth. The M[...] International [...] Tennis Counci[...] trol the mor[...] tively allianc[...] traditional [...] International [...] Federation ar[...] women's play[...] — are at le[...] structively [...] of the game. [...] work amid s[...] array of inte[...] pressure g[...] players' agen[...] companies [...] interests [...] judgments [...] achieve. So [...] be doing a r[...] the Men's [...] further stre[...] when the na[...] members—he[...] represent to[...] in America. I[...] of the [...] announced [...]

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HOME NEWS

Dublin Government bans Provos' Sunday demo

BY OUR DUBLIN CORRESPONDENT

THE Provisional IRA's much heralded *demonstration planned* for the centre of Dublin on Sunday was banned last night by the Irish Government.

Although it is the first time a parade has been banned here since the 1930s, it was not unexpected because of the Government's hard-line policy against the IRA. Two months ago, the Government had a successful confrontation with the IRA over the funeral of the hunger striker Frank Stagg.

The Government's action is designed to show Loyalists in Northern Ireland that it will not allow the Provisionals to parade openly in public.

Sunday's meeting has been banned by the police under the Offences Against the State Act, the principal piece of legislation for dealing with terrorists.

Although the police are expected to allow the meeting to take place, they indicated that they will prosecute the organisers and speakers. Should they *attempt to arrest them during* the demonstration, it could lead to clashes.

Despite the ban, the IRA is expected to go ahead with the commemoration to mark the 60th anniversary of the 1916 rising. The organisers have planned a parade along the route taken by the Irish volunteers on Easter Monday, 1916 and a meeting outside the Post Office in O'Connell Street.

The Dublin Government is ignoring the anniversary although elaborate celebrations were organised by the previous government 10 years ago to mark the 50th anniversary.

The Minister for Posts and Telegraphs, Dr. Connor Cruise O'Brien, last night appealed to Americans to stop supporting the IRA when he opened a three-day meeting in Dublin between U.S. Congressmen and members of the European Parliament.

A second party of Congressmen, due in Dublin shortly, also *is expected to be asked to use* its influence to stop the flow of funds to the IRA.

Dr. O'Brien told the Congressmen that people who claimed that the IRA was continuing the historic struggle for freedom ignored the fact that all those using violence in Ireland to-day were doing so against the strongly declared wishes of the overwhelming majority of the people north and south of the border. The IRA was fighting against the will of the people in order to impose its own will.

Warders' protest

There was no parallel with the American revolution in the IRA campaign nor was there in their ideas. The IRA's concept of freedom was in militarist, authoritarian and fundamentally irrational systems, he added.

● Prison warders in Ulster are expected to end their protest action over attacks on their colleagues by the Provisional IRA by to-morrow following a decision to allow off-duty officers to carry firearms.

● Officials at Ireland's Foreign Affairs Ministry have denied that criticism yesterday in Luxembourg by Foreign Minister Dr. Garret FitzGerald of the lengthy procedures of the European Commission on Human Rights constituted an attempt to speed up settlements of the "torture case" brought by the Republic against Britain.

Ministry pledge on steel projects

BY KENNETH GOODING, INDUSTRIAL CORRESPONDENT

A PROMISE that it will not be too long before a decision is reached about at least one of the major British Steel Corporation projects was made last night by Mr. Leslie Huckfield, new Parliamentary Under Secretary at the Department of Industry.

At the annual dinner of the Process Plant Association he said the Government recognised that the nationalised industries' ordering programmes were vital to prospects for the industry.

"On the steelworks side, it is probably the two projects at Redcar and Port Talbot that are the biggest concern to the fabricators. Both the BSC and the Government are well aware of the urgent need for decisions on these. These are complex matters but I am hopeful that it will not be too long before a decision is reached on at least one of these."

Mr. Huckfield could hold out no such promise for the companies anxiously waiting for a decision about the power station ordering programme.

"All I can say is that the Government is fully aware of the very serious implications for the companies concerned and for their opposite numbers in the turbo-generating industry and is doing everything possible to enable a decision to be reached within the next few months."

Only a week ago it was revealed that four process plant concerns were among the first half-dozen companies involved in discussions about planning agreements. They are Babcock and Wilcox, Clarke Chapman, Head Wrightson and Whessoe.

Mr. Huckfield said last night that if the Government's industrial strategy were designed to advance the performance of industry at the sectional level, "planning agreements aim to achieve much the same end, but operating through particular key companies whose performance is crucial to the performance of the sector as a whole."

Mr. Huckfield added: "The Government's approach to this new system is wholly pragmatic and will be developed with maximum flexibility.

Having a say

"We do not seek to impose a particular system on the companies concerned, nor to interfere with management's ability to respond to changing market opportunities. We want workers, through unions, to contribute to planning agreements by being taken into management's confidence and by being given the chance to have their say."

Mr. John Laithwaite, chairman of the association, urged the Government to "take the shackles off manufacturing industry, get rid of price control at least on capital goods where it stifles investment, give even more assistance to capital goods exports, let the worker keep more of what he earns and above all put money extracted in taxes back into manufacturing industry and not into pleasing idealists."

TUC verdict ensures Scottish Labour unity on devolution

BY CHRIS BAUR, SCOTTISH CORRESPONDENT IN PERTH

SCOTTISH trade unionists yesterday called on the Government for additional ammunition in the fight back they are clearly impatient to launch against the Scottish Nationalists on the crucial devolution issue.

Delegates at the Scottish TUC's annual congress in Perth shrugged aside a demand for a referendum on Scottish separation and, like Labour's Scottish conference last month, voted unanimously for the proposed Scottish Assembly to be given stronger powers, notably over industry.

The debate set the seal on the united front on devolution which the political and industrial wings of the Labour movement in Scotland have been striving to secure since the Government published its controversial Assembly proposals last November.

Betrayal

The new Minister of State in the Government's devolution unit, Mr. John Smith, who attended the conference, acknowledged this "consensus of opinion" which had developed in Scotland and which would be taken into account by the Government as it drafted its devolution legislation.

He said the debate was constructive and showed an impressive unanimity of opposition to the Scottish Nationalists. Congress had demonstrated its determination to maintain the political and economic unity of the U.K. while accepting the Government's position that devolution was absolutely necessary and desirable.

The call for Labour to start its counter-attack against the Nationalists was made by Mr. George Robertson, of the General and Municipal Workers' Union, the party's vice-chairman in Scotland.

He said: "We must now bring home to every person in Scotland the real and permanent dangers posed by any separatist victory. We must drive home the financial and social costs to ordinary people of the break-up of the U.K. which would be a brutal and direct consequence of rupturing our links with the rest of the country and its economy.

"We know the separatists, a party of political chameleons—left-wing radicals in the cities and right-wing federalists in the country." Nationalism, he added, was like "the old cockerel crowing on its own dunghill, representing the politics of greed, selfishness and self-interest, the very betrayal of Scotland's greatest heritage."

Mr. Alex. Kitson, the Scottish TUC treasurer and executive officer of the TGWU, said that, without meaningful economic powers at its disposal, the Assembly would fall short of Scottish expectations. Devolution, with a sensible division of economic functions between Westminister and Edinburgh, was the only way to contain the separatists.

Dismissing the call for a referendum as a "delaying tactic," Mr. Kitson added: "You cannot just wipe aside the Scottish National Party. We have got 36 seats in jeopardy at the next election." The devolution policy was not being promoted to appease the Nationalists but because it was something worthwhile for Scottish working people.

Mr. George Smith, general secretary of the Union of Construction Allied Trades and Technicians, argued that a referendum was essential to make it clear to the rest of the U.K. that Scottish people rejected separatism. He added that the recent political unrest in Scotland would be ended only by radical changes in economic policy rather than by the creation of new levels of government.

The conference called for the Assembly to be given complete control of the Scottish Development Agency and the Highlands and Islands Development Board and for Westminster's powers of "veto" over Assembly legislation to be softened. It also wants the Assembly to have responsibility for Scottish universities, the legal system and courts and the administration of agriculture and fisheries.

Loan rate cut

THE Agricultural Mortgage Corporation has cut its lending rate on fixed-rate loans by half of 1 per cent. to 14½ per cent. The rate on new variable loans remains at 12½ per cent.

Ulster Office appeal over Cahill award

BY OUR BELFAST CORRESPONDENT

THE Northern Ireland Office said it intends to appeal against an award made yesterday to Mr. Thomas Cahill, the 40-year-old brother of former Belfast Provisional IRA leader, Joe Cahill.

Damages of £20,000 were announced at Belfast's Criminal Injury Court for wounds which Mr. Cahill received when he was shot while driving his milk float in the Republican Falls Road five years ago.

Although the gunmen involved were never traced the shooting came at the time of a vicious feud between the Provisional and Official wings of the IRA.

Subsequently, Mr. Cahill was jailed for two years for having six bullets in his milk float. They were found by police after the shooting.

At the trial, in November 1971, Mr. Cahill said he was not a member of the IRA and claimed the bullets had been planted.

Before the Northern Ireland Office decision, Mr. Ernest Baird, a deputy leader of the Unionist coalition, said he believed there was a case for reviewing the law on criminal injuries. There was a danger that awards might be made to members of illegal organisations, he said.

Housing now 53% owner-occupied

BY MICHAEL CASSELL, BUILDING CORRESPONDENT

THE OWNER-OCCUPIED housing stock is continuing to grow rapidly and well over 70 per cent. of the population would like to own their own homes, according to the Nationwide Building Society.

In a summary of recent housing trends, based on its own surveys and other published information, the Nationwide says that 53 per cent. of the U.K.'s 20m. dwellings are now owner-occupied, over twice the figure recorded 30 years ago.

Demand for ownership, the Society says, should continue at the current high level, with particular pressure coming from the young.

According to the Nationwide, about 41 per cent. of owner-occupied homes are being purchased with a building society mortgage, while 42 per cent. are owned outright. The remaining purchasers have other types of loans on their property.

Commenting on the survey, Mr. Leonard Williams, chief general manager of the Society, pointed out that the U.K. housing stock is still increasing by well over 200,000 units annually, although the net increase in actual households has fallen to an estimated 150,000 a year.

As a result, there is now an overall surplus of about 850,000 houses and flats, and the figure is growing. Local shortages remain, however, especially in London.

The Nationwide emphasises that the crude surplus of houses does not reflect the quality of the existing housing stock and, with rising standards, it is to be expected that some proportion of the available property will always be regarded as inadequate.

Some of the surplus was necessary to allow for mobility, but there was clearly no longer the same overall shortage which existed in the 1950s and 1960s.

Mr. Williams added: "The population is now fairly stable and the main future needs in housing will be to continue to provide for the net increase in households, to renew poor quality housing, either by new building or renovation and to ensure that enough suitable property is available to meet the desire of most people to own their homes."

Ex-Haw Par chief hits at appeal adjournment

BY MARGARET REID

MR. DONALD OGILVY Watson, formerly managing director of the Singapore-based Haw Par Brothers International, yesterday described as "extraordinary" the adjournment of his appeal against the requirement of his appearance before inspectors inquiring into the company's affairs.

Last October, Mr. Ogilvy Watson was sentenced in his absence to a year's imprisonment if he did not give evidence there within a month to the inquiry. He has not returned to Singapore and an appeal against the judgment had been lodged on his behalf.

The notice to appear was issued by Mr. Graham Starforth Hill, the Singapore lawyer who was one of the inspectors appointed last July to inquire into Haw Par, in which, in earlier years, *Slater Walker* Securities had had a sizeable share stake.

Mr. Hill resigned from the inquiry in October, saying that his position involved "a clear potential conflict of interest." The other inspector, accountant Mr. Philip Grundy, has recently submitted his report. In it, he said that the sudden departure of Mr. Ogilvy Watson and of Mr. Ian Tamblyn, former Haw Par deputy managing director, "has been a considerable hindrance to me."

Mr. Ogilvy Watson said yesterday that his appeal challenging the validity of the notice to appear personally had been due to be heard before the Singapore Court of Appeal last Monday.

"I had intended to assert in the Court through my lawyer that Mr. Hill had no right to issue the notice and that he had not acted fairly towards me in the conduct of the inquiry. At the end of last week I heard from my Singapore lawyers that the appeal was not, after all, to take place although it had been pending for about five months, and although I had instructed an English Queen's Counsel."

Mr. Ogilvy Watson went on to say that the delay had apparently been caused because the inspectors served a summons last week asking him to deposit some £2,000 as security for the costs of the appeal.

"Therefore, instead of my appeal, this summons was heard last Monday and the Singapore Court of Appeal ordered me to provide the security asked for. I am advised by my lawyers that it is extraordinary for an appeal to be adjourned in these circumstances."

Mr. Rober Wellings, of solicitors Herbert Smith, legal advisers to Mr. Ogilvy Watson, said that the latter was likely to pay the £2,000 and that the appeal case was expected to come up within the next month or so. It is understood that Mr. Anthony Lincoln QC. had been *retained to appear for Mr. Ogilvy* Watson.

Mr. Ogilvy Watson also said that he had repeatedly made clear his willingness to give his evidence in full to the inspectors in England "and I have in fact given a full statement to the Honk Kong authorities."

Mr. Wellings said that the latter statement had been made "in effect to the Hong Kong Attorney-General's department in relation to Spydar Securities." Spydar is the private Hong Kong company through which Mr. Ogilvy Watson, Mr. Jim Slater and other former senior executives of Haw Par or Slater Walker Securities are alleged to have made profits of some £1m.

In his recent report about Haw Par's affairs, Mr. Grundy stated that, on a strictly commercial basis, deals between SWS and Haw Par, although dictated by Slater Walker's requirements, "were not inequitable." Mr. Ogilvy Watson said, after details of the report were released to the Singapore Press earlier in April, that he felt he had a full and complete answer to any material criticisms Mr. Grundy might have.

The Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● METALWORKING

Multi-unit speeds production

USING 13 cutting elements, an automatic multi-unit machine simultaneously operates on all three faces of an engine oil pump body—doing the work of three capstan lathes and five single spindle drilling machines, at the Tipton, Staffs works of Burman and Sons.

This German-built Diedesheim machine has enabled Burman to accept orders for engine oil pump bodies for the new Ford Bobcat car which is to be made in Spain.

Some 4,000 Bobcat pump bodies are produced every week, working an 8-hour shift. Each is produced in a cycle time of 20 seconds—about one-sixth of the time required when using conventional methods.

The frame of the machine is symmetrical, but the heads are mounted in primary cylinders which can be rotated 306 degrees on their axis. This increases *the versatility of the machine* which cost about £120,000.

During operation, aluminium body castings are loaded into one of six chucks mounted on the vertical indexing drum of the machine. The component passes through six machining stations as the head indexes, and all *three faces of the body* are machined. The machining sequences include drilling, tapping, turning, boring, cross-facing, counterboring and chamfering. *After these operations* the component is transferred to *other machines which produce* the centre shaft hole and the counterbore for the filter relief valve.

The machines are marketed in the U.K. by the Sykes Machine Tool Company, Hythe End House, Chertsey Lane, Staines, Middx. (Staines 55474).

Bores holes in big components

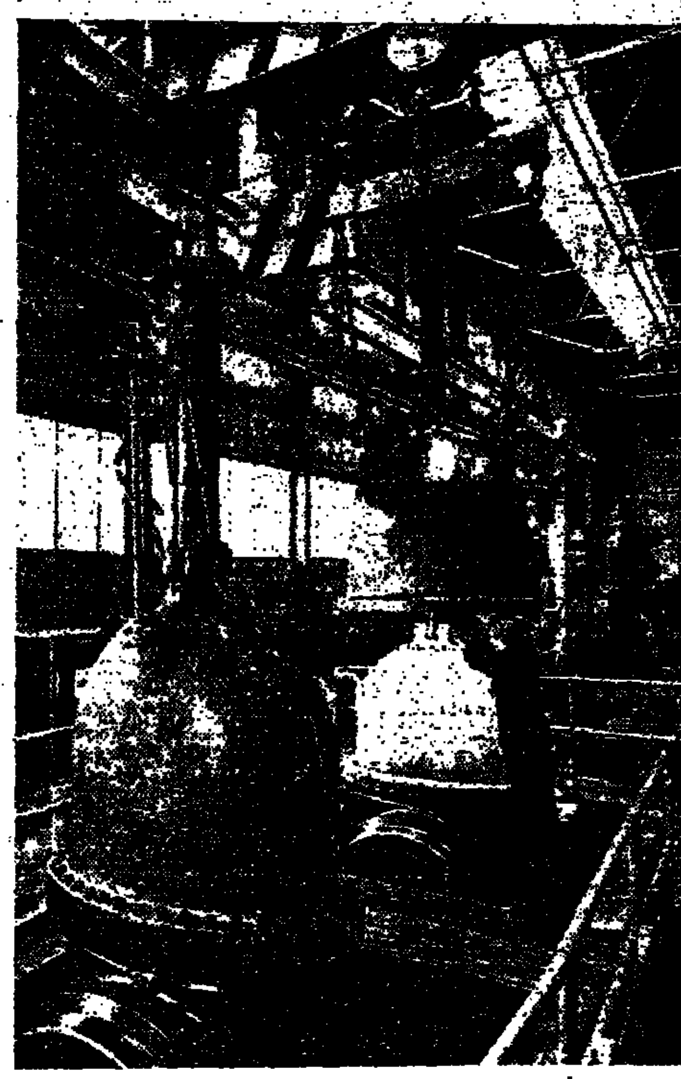
CAPABLE of milling and boring components weighing up to 3,000 kg, the Model "B" heavy duty milling machine built by Sachman, of Italy, was designed at Milan University.

Among the main features of the machine are manual, automatic and dual controls, hardened bedways, 360 deg. slewing head, and optional optical reading system or digital readout.

Cross traverse is 748mm, longitudinal traverse is 1,800mm, and *there are 18 longitudinal, cross* and vertical feeds, ranging from 1.5 to 600 mm/min—rapid traverse is 2,000 mm/min on all three axes. The table is 200 x 560mm.

Spindle centre line is 780mm from the column, and the spindle nose is 825mm from the table. The over-arm moves transversely and houses the gearbox, providing 18 spindle speeds from 30 to 2,000 r.p.m., driven by a 15 h.p. motor.

It is marketed in the U.K. by W. E. Norton (Machine Tools), Dore House Farm Industrial Estate, Orgreave Close, Sheffield S13 9LD (0742 697341).



Large steel valves under construction at the factory of Triangle Valve Company, Wigan, Lancs., for the Trans-Alaska oil pipeline project. They are part of an order for 67 to control the flow of crude oil on its 800-mile journey southwards from the well heads of the Prudhoe Bay field to the tanker terminal at Valdez on the Gulf of Alaska and will be used *in tank farms at the storage* terminal. Triangle has designed the valves' components in cast steel specially modified for use in very low temperatures.

● INSTRUMENTS

Integrates analysis graphics

A CHROMATOGRAPHY data handling system with a built-in digital processor and printer-plotter is offered by Hewlett Packard at £2,800.

Designated HP 3380S, the graphic integrator provides all the data-handling functions needed for an existing gas or liquid chromatograph to produce a complete area percentage report of an analysis on convenient 8½ x 11 in Z-folded sheets.

The integrator automatically plots the chromatogram, marks each peak to indicate integration and labels each peak with its retention time. The instrument applies preprogrammed peak shape and baseline compensation algorithms to allocate peak areas accurately and then prints an area percentage report at the end of the run with annotations of peak type and conditions.

For most conditions the chemist has only to line up slide switches on the front panel in the automatic mode. Chart presentation, integration parameters and time functions are controlled by individual slide switches. More from King Street Lane, Winnersh, Wokingham, Berks RG11 5AR (0734 784774).

Accurate theodolite

TYPICAL *of a new range of* Pentax theodolites now being introduced into this country by A. H. Hall and Brothers is the TH 20, a 20-second instrument *which can be used where the* requirements include optical setting out, measurement of horizontal and vertical angles, alignment, or distance measurement.

The theodolite has a ball base which ensures that the rough levelling is done very quickly and efficiently. Direct readings of the horizontal and vertical circles in figures can be made down to 20 seconds. The readings of the horizontal circles

● DATA PROCESSING

Records the production problems

CAUSES of stoppages and their duration can be recorded on production lines using a unit developed by Zanasi-Nigris SPA of Bologna and introduced into this country by Anglo Continental Machines, Bessemer Road, Basingstoke, Hants RG21 3NT (0256 61881).

The system consists of an operator's recording press-button *unit with electronic counter/* display, and a print-out unit which can be mounted remotely, say, in an office. One of the printing units can have ten of the counters connected to it.

Whenever a stoppage occurs the operator presses a key on the counter relating to the reason; if this is not readily identifiable, a "miscellaneous" key is pressed followed by the correct key when the cause is known. The lost time, key identification and piece count are stored ready for print-out.

The counter starts automatically at the beginning of the shift and stops at the end, switching to the next pre-set cycle of which there can be three in 24 hours.

At the end of the cycle, stored values of time and production count are printed out from each *of the nine functional memories,* both as a chronological record and as a summary of the lost times due to the identifiable causes. The memories are erased for the next period.

It is possible to print out the up-to-date information from any memory at any moment in the period without erasing.

Microfilm processors

AGFA-GEVAERT'S microfilm department has three new processors for roll film from 16 mm. to 105 mm. and covering every kind of processing application.

The new units—the 321, 421 and 600 models—can handle computer output microfilm as well as that produced by conventional cameras, and can thus *be integrated into any type of* microfilm system.

In all three machines the film is automatically fed through a daylight cassette and no leaders *are required.* The *new models* lend themselves to parallel film processing, so that a number of films of the same or differing widths can be simultaneously processed without any mechanical modifications.

The three new machines each use different processing methods. *In the table-top 321, films are* processed by the conventional negative method, being developed fixed and dried.

In the 421 model—also table-top—the films can be processed by the negative method or by the partial-reversal method. In the case of the latter the films are developed, bleached, cleared, washed and dried using four tanks—development rinse or bleach, fix or clear and wash.

The 600 is a floor unit processing by the reversal method.

Further from Agfa-Gevaert, COM department, 950 Great West Road Brentford Middx. 01-560 2072.

Councils' costs cut

ECONOMIC problems are hitting everywhere, including Local Authorities, who are being pressed to cut down on expenditure.

One area in which cost savings *are available to them is that* of data collection and preparation. Kenrick and Jefferson, printers to the computer industry, and Data Recognition, computer hardware suppliers, have combined resources to come up with a system they believe will help Local Authorities gain an overall *system savings of* between 27 per cent. and 45 per cent. per annum on rents and rates payment systems.

The two have developed *personalising of rent or rates* payment vouchers in clear and optical bar mark formats, thus enabling the authorities to use pre-captured verified data for *updating rents and revenue files* and reading it in, instead of key punching and verifying.

In this turn-round system Kenrick and Jefferson is producing the payment books, using *magnetic* tape supplied by the authority to personalise each book with a tenancy reference number, name and address *details. This saves the authority* the expense of printing the books and mailing them.

Data Recognition markets the Dataterm Three OMR, of which more than 300 are installed in the U.K. This machine automatically reads data supplied in special mark form and converts this into computer-readable code. *This operation removes the time-*consuming key entry of information.

Kenrick and Jefferson, High Street, West Bromwich, West Midlands B70 8NB (021-553 1001).

● ELECTRONICS

Indicates weight and records it

A LOW cost digital weight indicating and recording system *has been put on the market by* W and T Avery that should provide wider scope for load cell weighing in industry.

Providing an accuracy of about ±*0.5* per cent., *the* unit is made for either wall or panel mounting and can be used with any type of load-cell weigher of any capacity. Up to four cells can be connected.

An analogue module provides excitation for the load cells and amplifies the electrical weight signals. This is followed by a *dual-slope integration digitiser* which converts the signals to a form suitable for operating the digital display, updated several times a second.

*Graduated in tonnes or kilo-*grammes the display can consist of up to five in-line characters 14 mm high with one, two or five units of weight as the minor increment. It can have a maximum of 2,500 increments although, on light capacity applications the number may be reduced to 1,000 or 1,250. Front panel zero adjustment is provided.

Direct current proportional to weight is provided for metering or computer processing and up to eight trip points can be incorporated. More from company at Smethwick, Warley, West Midlands (021 558 1112).

Hirst sales to double

HIRST has signed with F. W. Bell of Columbus, Ohio, an *agreement* which covers the U.S. and Canadian sales by Bell of U.K.-built magnetising systems and equipment.

The Hirst equipment is used *for charging and setting perma-*nent magnets and assemblies used extensively in the hi-fi automobile accessory, electronic and permanent magnet manufactur*ing industries.* The new departure could double this British Oxygen subsidiary's turnover.

Hirst Electric has previously co-operated with Bell through *exhibitions in the U.S. where* Hirst engineers have demonstrated the equipment. F. W. Bell is one of the leading makers of Hall-effect, semi-conductor *based instruments in the U.S.*

Wherever the opportunity arises, Hirst will complement its own range with Bell products for sale in Britain.

Hirst is at Gatwick Road, Crawley, Surrey RH10 2SA (0293) 2572.

● HANDLING

General duty jack

USEFUL for removing tight fitting components, clamping parts together for welding, positioning heavy machinery or for straightening and bending, the "M" series of hydraulic jacks from Webtool Hydraulics is available off the shelf.

They are available in capacities of 6¼ tonnes with three inch stroke, *10 tonnes/4¼ inches* and 15 tonnes/6 inches. Body of the unit has parallel faces such that, in conjunction with the sealed design, the jacks can *be used on their fronts, sides,* and even upside down. They are also fitted with a spherical ram cap that accommodates some off-centre loading.

Cylinder, base, reservoir, and pump housing are made from a single piece of aluminium alloy ensuring lightness, strength and rigidity.

More from Webtool Hydraulics, 11, Bishopsgate Street, Birmingham B15 1ET (021 643 3731).

● SECURITY

Combination makes it safer

MANUFACTURERS of security equipment have to admit that in many cases the less said about their products the better. But how do they sell them!

John Tann is once again facing this problem over the introduction of its latest safe, the Super Treasury. Sufficient to say, much research has gone into metals but as safes have got more sophisticated so have the techniques for breaking into them.

Tann's latest research efforts have resulted in the development of safes which are made from a combination of steel and concrete, materials which are in*corporated in the new Super* Treasury safes.

They are made in several sizes, the design incorporating the latest international ideas in *terms of materials and* mechanisms.

The safes have been developed from existing safes made in Tann's Swedish factory which have passed the highest Swedish official test rating known as V3. Improvements over *and above the V3 requirements* which are said to have been incorporated include use of a specially developed very hard concrete and inclusion of high *sensitivity plates to protect vital* areas around each of the two locks which are linked to multiple re-locking devices.

John Tann's Works are at Stirling Corner, Borehamwood, Herts.

● CONFERENCE

Electronics at sea

THE country's two technician engineer bodies in electronics, the Society of Electronic and *Radio Technicians and the* Institution of Electrical and Electronics Technician Engineers are organising a three-day residential symposium on *marine electronics at the* University of Southampton from July 5 to 8.

There are to be five sessions covering communications, navi*gation and radar, automation* and the use of computers, education and training, and safety at sea. There will be 18 papers in all.

Registration fees are £68 plus VAT inclusive of attendance, full board and pre-printed volume of papers. Further information from Registrar, Marine Electronics Symposium, SERT, 8, Charing Cross Road, London WC2H 0HP.

FINANCIAL TIMES REPORT

Thursday April 22 1976

Austrian Banking

Pressures resulting from the worldwide recession have left their mark upon the Austrian economy and financial system, but in spite of some pointed criticism from the political opposition, they have stood up well to the strains.

...evival ...e ...ty

L. Luetkens

AUSTRIAN economy o be on the mend after uring which GNP fell : 2.5 per cent. and production by 6.7 per or this year the fore- xpect a marginal real : GNP by 1.5 to 2 per d straw polls among ists also point towards output from their

e banks, 1974 brought reat excess of liquidity, from enhanced savings rivate sector, heavily lemand for credit from and massive imports tal. The expected on of growth this year o far resulted in any f demand for credit ustry. In particular no sign of enhanced t intentions: the s expected to come om consumer demand n the tourist trade, of great importance to my at large and to ayments in particular. did unexpectedly well after a poor perform- 974, and the auguries re favourable.

her the growth fore- ot entirely uncontro- There are uncertainties ing exports to Eastern which last year for 17 per cent. of ports of Sch.131bn. 4bn.). They were wards the end of 1975 ries sucked in at the five year plans of the countries and have n steeply since. It be seen whether that the foreign exchange arising in Eastern a result of the higher l, or whether it was a nporary phenomenon new plans get on

nning down of the bour force in Austria t of the recession is straining factor upon nand. Though 150,000 in, in an employed labour force of about 2.6m., the number was reduced by some 50,000 in the past 24 months. For demographic reasons that trend is likely to continue rather than to be reversed.

The other, brighter side of the medal is the likelihood that West Germany is out of the trough. West Germany is central to the Austrian outlook, having bought 22 per cent. of Austrian exports in 1975, and provided almost 80 per cent. of the tourists (as measured by the aggregate number of nights spent by tourists in paid for accommodation). A German revival is unlikely to increase the number of tourists greatly, but will reverse last year's pattern of each individual visitor spending less than in the past.

Official policy has taken account of the uncertainties still surrounding the cyclical position, though in a manner not entirely clear cut. An officially administered fund (the so-called ERP fund which was originally founded to lend for investment purposes the local currency equivalent of U.S. Marshall aid) and the semi-official Investment Credit Bank have been authorised to issue 4½ per cent. paper to banks willing to take it into their portfolios at a time of high liquidity. The operation will provide some Sch.1.2bn. for lending to industry, Sch.500m. for the tourist industry, Sch.200m. for agriculture, and Sch.100m. for municipal development corporations founded to attract new industries.

The central bank has given an undertaking to purchase the paper from the credit institutions if a change in the overall liquidity position should make it necessary. That fits into the policy pursued since 1974, when the last boom was ending, of using both monetary means and deficit spending to counteract the effects of the world recession. On the other hand, however, for fiscal reasons the Added Value Tax was increased early this year from a rate of 16 per cent. to 18 per cent., petroleum duty and car tax have increased, and certain officially manipulated prices went up. A goodly proportion of the extra revenue will, however, be channelled into road-building, and certain countervailing concessions have been made for private investment.

Resources

The official argument, therefore, is that the increases will divert resources from consumption to investment. It is not, however, entirely certain that the timing is correct: for the moment private consumption looks like the potentially more buoyant contributor to demand.

The fiscal reasons for increasing taxes are very evident. The Government debt, which had risen from effectively zero in 1948 to Sch.70bn. in 1974, moved up to Sch.100bn. in 1975 and will rise by another Sch.10bn.-20bn. in 1976. Then it is expected to stabilise again.

It needs to be emphasised that the level of the debt is by no means worrying: it is the equivalent of less than half a year's revenue, and low by international standards (largely because debts were written off after the war). But the rate of increase has alarmed some, and the maturities and interest rates are relatively unfavourable because so much borrowing has been done during a period of relatively high interest rates.

There is a not dissimilar story to tell about the capital account of the balance of payments. Last year it produced net imports of long term capital aggregating Sch.18.2bn., a record. In 1974 there had been a surplus of Sch.7.4bn., and in 1973 a deficit of Sch.3.8bn. Last year's gross imports of long term capital amounted to Sch.26.7bn., of which the Federal Government and the rest of the public sector accounted for Sch.16.5bn. In part that was the price paid for a policy of deficit financing which deliberately put employment ahead of price stability (yet without allowing inflation to go above 8.4 per cent., as measured by the retail price index). There also was a precautionary aspect: the Government has been hoarding liquidity fearing perhaps, a renewed disruption of international capital markets.

The net long-term external debt has meanwhile reached something around Sch.70bn., again an amount that looks perfectly manageable though in this case, too, the rapid recent increase may appear worrying. The authorities would argue that internal and external indebtedness was a reasonable price to pay for keeping down the unemployment ratio to 3.6 per cent. (crude) in January, at the height of the winter season. It is difficult to quarrel with that, though the running down of the migrant labour force has also played its part.

To sum up, it is undeniable that Austria's reputation as an oasis of idyllic stability has suffered a little, but not seriously. If the economy really does come out of recession this year, which will to a great extent depend on what happens elsewhere and above all in West Germany, then the strategy of the Socialist Government under Dr. Bruno Kreisky, the Chancellor, and his Minister of Finance, Dr. Hannes Androsch, will have been justified. And if the world economy does remain in the doldrums or worse, then it would be unreasonable to expect a small country like Austria to be able to do a great deal about it.

Nevertheless, the opposition is attacking the Government for departing from traditional canons of financial solidity. Its success has been limited: the elections in October were a great success for Dr. Kreisky, and though the inflation rate is not as low as that in West Germany and the current account is in its traditional deficit, the Schilling remains obstinately strong. It is among the world's hardest currencies, kept in a managed floating system by the national bank.

Strategy

The bank's strategy is to keep the Schilling stable in terms of a basket of currencies, the chief of which are the D-Mark and the Swiss franc, each currency being weighted according to its significance to Austrian trade. The recent upward movement of the West German and Swiss currencies has therefore been followed by the Schilling, though at a less rapid rate. Austrian exporting industry is not altogether happy about that and hopes that the Schilling may follow at a more respectful distance if there is a repetition of recent events.

These monetary and fiscal matters have been very much at the centre of the political argument in Austria. The bourgeois opposition is accusing the Socialists—conservative though they may look to outsiders—not only of putting economic stability at risk, but also of trying to occupy vantage points of power in the industrial apparatus. As a result of takeovers by the State, mainly of German investments after the war, about 30 per cent. of all Austrians in dependent employment already work in the public sector, and 18 per cent. of the value added by Austrian industry comes from affiliates of the State holding company. That holding company comes within the "red" sector, meaning that Socialists are in the controlling positions. Now efforts have been made to add to this empire the industrial holdings of the two main joint stock banks, Creditanstalt Bankverein and Oesterreichische Länderbank.

On the face of it such a transfer would not really change an enormous amount, since both banks are controlled as to 60 per cent. by the State. But Austria being Austria, and as a result of the coalition that ran the country until ten years ago, the Creditanstalt, larger of the two banks, and with the more important industrial' holdings, is within the "black" sphere of influence, so that a change would shift power structures.

The extent of these bank holdings is considerable: companies under the influence of the two joint stock banks are said to provide about 10 per cent. of industrial employment in Austria. Creditanstalt's collection includes companies like Steyr-Daimler-Puch (motor industry), Semperit (rubber), and Jenbacher Motorenwerke (engineering); Länderbank's include Waagner-Biro (engineering), Perlmoser Zement (cement), and Chemiefaser Lenzing (fibres).

A campaign to bring about a change at the head of Creditandstalt seems to have come to nothing, at least for the time being. The proposal to merge the 'banks' industrial holdings has been diverted by the appointment of an *ad hoc* commission of bankers and industrialists as well as Government representatives to discuss the entire question of industrial structures and what assistance the Government can provide to improve them. Discussing the matter, one well known Socialist in the financial world smiled and asked blandly whether it was likely that the joint stock bank owned by the Austrian trade unions, the BAWAG, was likely to surrender cheerfully its own investment in a paper concern.

That was a very Austrian reflection. On the whole it is still recognised on all sides that the country cannot afford head on conflicts — that compromises are necessary and possible in a country small enough for all those who matter to know each other personally.

But as the memory of the coalition fades and as the economic climate in the world grows chillier than it was in the 1950s and 1960s, it is true also that the Austrian talent for muddling through will have to be exercised to the full.

Aggregate credits outstanding of main Austrian banking groups at June 30, 1975

Borrower	Total	Sch.bn. Thereof: Joint stock banks	Private banks	Savings banks	Raiffeisen banks	Volksbanken
Industry	70.0	41.0	1.8	13.5	4.1	2.6
Tradesmen and artisans	36.7	9.0	0.6	9.6	9.7	6.1
Agriculture and forestry	23.3	0.6	0.1	2.1	15.8	1.3
Wholesale and retail trade	41.1	17.6	2.0	10.4	4.7	4.2
Tourist industry	16.8	2.1	0.1	4.6	4.3	1.8
Federal and provincial governments	10.4	1.9	—	4.3	4.5	—
Local Authorities	21.1	1.6	—	7.8	2.4	0.3
All borrowers	235.4	91.1	6.1	87.3	55.6	22.0
Including personal credits	22.2	5.6	0.3	8.9	4.7	2.4

Source: Oesterreichische Nationalbank.

Profits survive pressure

CREDIT INSTITUTIONS in Austria have been caught in a paradoxical situation where liquidity is plentiful yet interest spreads have come under pressure because of a traditional inelasticity of the rates payable on deposits. A rapid ballooning of balance sheets in 1975, caused by a high savings quota in times of recession and by heavy capital imports designed not least to close budgetary deficits, ensured that *profits survived the pressure*. In 1976 the profits picture may be different unless something happens soon.

Given the as yet feeble revival of business activity in Austria, an increase of the interest rates *upon credits* granted is not going to be acceptable. So the spread—at present something around 2 percentage points in the joint stock banking sector—will have to be widened at the other end. *The key interest rate as far as* deposits are concerned is at present 5 per cent., paid on savings accounts which are close in nature to a British deposit account (including the readiness to waive notice of withdrawal in case of need. Private customers willing to make term deposits are offered *up to 6 per cent. for three year* deposits, at least if one goes by the notices displayed outside banks.

But at any rate until quite recently even a relatively modest client could hope to negotiate a so-called "grey" rate, above those displayed in the ubiquitous notices. Even to-day deposits of, say, Sch. 500,000 (about £14,300) or more command a bonus above the officiate rate. But even a *smaller client is probably* receiving rates higher than the market situation would justify, for the simple reason that the savings rate is something of a political price paid for the little man's money: political pressures, especially from the trade union organisation, have been strong against lowering it. None the less there is an expectation that it will have to fall within a few months' time.

The "grey" market exists because of considerations only indirectly linked to immediate commercial motives. It reflects the endeavours of competing bankers to maintain market shares— even if that should involve *paying for them.*

In Austria this competition is carried out not so much between *individual banks of large* identical nature—such as the British clearers—as between representatives of very different categories of institutions—joint stock banks, savings banks, co-operative banks and building societies, to name some of the most important. Even fair sized market towns grown rich on *agriculture and tourism may be* without joint stock or commercial banks. But they will have their savings banks; their Raiffeisen agricultural co-operative bank; their Volksbank or people's bank catering *largely for the smaller tradesman.*

Whereas the two big joint stock banks are "universal" banks on the continental model, engaging in almost every form of credit business, the other chains, at least in origin, are specialised: Raiffeisen to deal with farmers; the Volksbanken, with tradesmen; the savings banks with people in dependent employment as depositors and *with municipalities as borrowers.* But these differences are gradually being overlaid: all three chains—of which that of the Volksbanken is by far the weakest—have been developing into the "universal" pattern: They will exchange a tourist's travellers' cheque, and they have made their appearance also in international wholesale banking.

Group

However, the historic identification of these institutions with a particular group of clients has helped to establish attitudes that make market shares an important matter which may well have to be paid for. Neither a depositor, nor a borrower, are readily allowed to go. Given the structure of the Austrian economy, which is very largely one of small businesses in small towns, the importance of such an approach to the business of banking cannot be overestimated.

A rough idea of the relative *importance of the various sec*tors can be gained from their aggregate balance sheet totals at end-1975, which were as follows: Joint stock banks Sch.257bn., savings banks Sch.210bn., Raiffeisen Sch. 145bn., Volksbanken Sch.51bn. The list is not exhaustive, but covers the largest entities, and in particular those that are or are becoming "universal banks."

The picture changes drastically if one takes as a basis the number of branches. Then the Raiffeisen group leads with 1,982, followed by the savings banks (708), the Volksbanken (382), and the joint stock banks (351). The last named originally displayed little interest in retail banking, but have long ago joined in the hunt for the small man's cash, as evinced by their 17 per cent. share in aggregate savings deposits, compared with the 36 per cent. of the savings banks, the market leader.

The joint stock banks emerge clearly as the leading bankers to primary and manufacturing industry, and given Austrian *structures that may well mean* that even in their case immediate commercial considerations do not govern every decision. One of the country's leading bankers in the commercial sector makes it quite clear that he believes that his bank is under an obligation to take into account the interests of the economy as a whole—"banks will flourish only if the economy does." That may be a truism, but there are certain other reasons for adhering to the device. A good deal of Austrian industry, especially in the energy, coal, and steel sectors, is Government owned (rather than nationalised in the British sense, since the State does not claim a monopoly or near-monopoly in the sectors concerned).

The Federal Government also owns stakes of 60 per cent. each in the share capital of the two joint stock bank groups, the Creditanstalt-Bankverein and the Oesterreichische Länderbank, which gives it ultimate control over their personnel and *policies. These banks,* in turn, have industrial holdings of their own, so that at every turn there are special considerations that may cut across the straightforward banker-client relationship. A smaller joint stock bank, the BAWAG, which is owned by the trade union federation, also has an industrial involvement through its ownership of a paper mill. That opens up further possibilities of cross currents and cross-relationships—as indeed does the very existence of BAWAG. The involvement of trade unions in an activity as capitalistic as banking well behoves a country such as Austria, which has become a byword for social partnership (and for fixing things by special arrangement) rather than confrontation.

Tolerated

The Austrian talent for turning a blind eye where discretion requires knows no better example than what can only be described as a *system of* officially tolerated tax avoidance, not to say evasion. The State allows its citizens to deposit money anonymously in credit institutions in accounts analogous to the Swiss numbered account, except that instead of a number there is a password to identify it. Interest credited to these deposits is rarely if ever declared *for* income tax, nor is the principal declared for wealth tax—and it is perfectly plain that not even the Socialist Party now in power has any intention of doing anything about it. The reasoning is simple: savings

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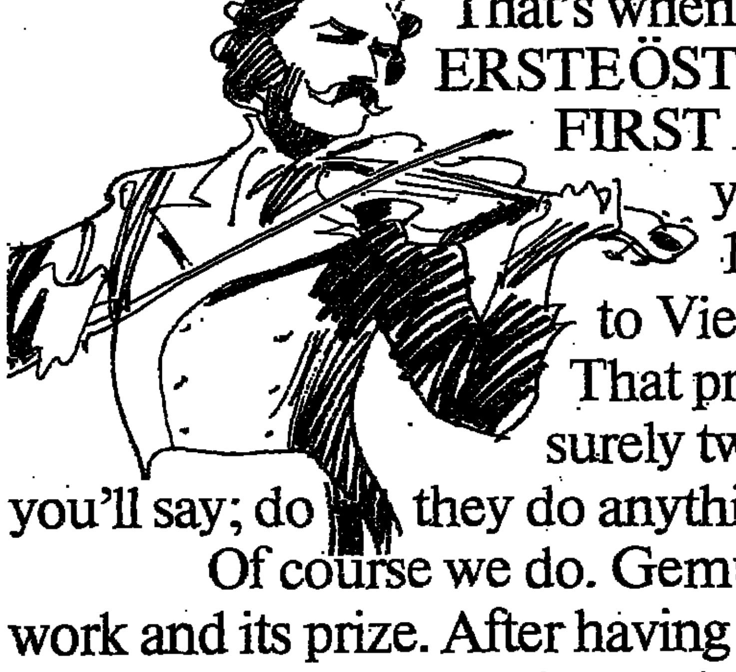
Vienna 1975



That's when Johann Strauß celebrated his 150th birthday, and ERSTE ÖSTERREICHISCHE SPAR-CASSE, as literally the FIRST AUSTRIAN SAVINGS BANK its 156th. The same year the Austrian Schilling had turned 50 years old.

1,300.000 guests from all corners of the globe flocked to Vienna to take part in these festivities.

That probably makes 2,6 million slices of Sacher cake and surely twice as many glasses of new wine. Cheers to that, you'll say; do they do anything but celebrate in Old Vienna?

Of course we do. Gemütlichkeit is one side of the coin, the other side is hard work and its prize. After having been at the heart of European history for nearly 2.000 years, Vienna today strives to be an economic centre too, particularly for commerce with the East. Even during a slack year for international trade, Austrian exports rose, e.g., by 33% to Poland and by 21% to the German Democratic Republic.

Vienna and "First Austrian" are preparing themselves for future expansion. We will extend more loans in foreign currency.

We will purchase more paper without recourse ("à forfait").

We will thus contribute more than hitherto to trade financing.

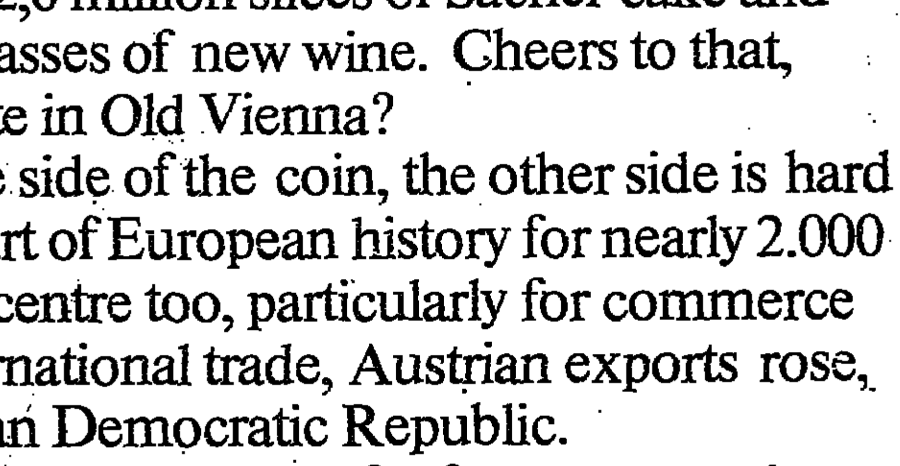
By 1977 "First Austrian" will belong to SWIFT and thus guarantees even speedier international transfers.

But much else remains to be done. We will roll up our sleeves to continue along the path of 156 successful years.

If you wish to know more about our achievements that is shown in the brief table, mail the coupon to:
ERSTE ÖSTERREICHISCHE SPAR-CASSE,
Graben 21, Vienna, A-1010 Austria.

You will then receive our annual report for 1975. Bankers know how to read between the figures. They have also known for a long time that celebrating is not all that goes on in Austria.

By the way, the Vienna Festival opens on the 22nd of May. Call on "First Austrian" when in Vienna.



Balancesheet (in million of US-Dollars and of Austrian Schillings)

ASSETS	1974 US-$*	1974 AS	1975 US-$*	1975 AS
Cash	17.8	330	21.9	406
Due from banks	273.6	5065	425.3	7873
Discounts	50,3	931	37,2	688
Investment in securities	206,6	3824	271.4	5024
Loans	278,0	5145	320,8	5938
Mortgages	429.0	7941	487,0	9014
Premises	31.3	579	30.8	570
other assets	51.1	946	66.6	1232
	1337,7	24761	1661,0	30745

LIABILITIES	1974 US-$*	1974 AS	1975 US-$*	1975 AS
Total deposits	1256,5	23260	1563.9	28947
Savings deposits	*916,5*	*16965*	*1082.4*	*20035*
other liabilities	23,9	442	26.9	498
Capital & reserves	57,2	1059	70.2	1300
	1337,7	24761	1661,0	30745
netprofit	8.1	149	13.0	241

*accounted rate of exchange, dated Dec. 31st 1975, AS 18.51/US-$

Please forward to me your annual report for 1975.

Name: ____________

Address: ____________

Company: ____________

DIE ERSTE
österreichische Spar-Casse
THE FIRST Austrian Savings Bank

Savings banks

AUSTRIA HAS *proved* a veritable breeding ground of small man's banks, catering for specific groups of the population. Born of philanthropic conceptions of self help, largely in the 19th century, they still preserve an *individual* character, however much this has become obscured by an international trend towards "universal" banks catering for all sorts, and handling every kind of credit business, including merchant banking.

The three Austrian specimens, all of which have their counterparts elsewhere, especially in *the German-speaking countries,* are the savings banks (equivalent to some extent to the British trustee savings banks), which were set up originally for the wage and salary earner, but also for the small shopkeeper, none of whom were likely to be welcomed in the offices of a 19th century commercial bank; the Raiffeisen *group of mutual credit unions* for the peasantry; and lastly, and in size, least important, the Volksbanken or people's banks, catering particularly for tradesmen. Each chain has an umbrella institution of its own, *which has greatly helped them* to develop into something approaching universal banks.

Only the savings banks' sector, and in particular its umbrella institution, the Girozentrale or GZ, which calls itself the bank of the Austrian Savings Banks, has so far achieved great international importance among these three non-commercial banking chains. But before going on to discussing that aspect of its business it is necessary to acquire an idea of its importance, and that of the other two groups, within Austrian banking. The Raiffeisen group has 1,982 local offices or branches, the savings banks have 708, and even the relatively insignificant Volks*banken, with 382, are more* widely represented than are the commercial or joint stock banks which have only 351. There is many a booming market town in Austria were no joint stock

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AUSTRIAN BANKING III

Political battles

THE structure of ...nking appears at ...to be very similar ...est Germany, there ...ry great differences ...tical developments ...r and their reper... the industrial and ...ld. It is not gener... broad, for example, ...g two" dominating ...rcial banks, the ...Bankverein and ...eichische Länder... ...ationalised as early ...Subsequently they ...partial decentral... ...he State retains a ...holding, making the ...int-stock banks sub... political back-seat ...vever, while nation... ...ries with a labour ...,000 and a 20 per ... in the country's ...have all along been ...ontention between ...s" (the People's ... the "reds" (the ...he two banks have ... remained immune ... and direct political ... From the very ...e Creditanstalt, by ...est Austrian bank, ...n of the "blacks," ...nderbank belonged ...red" sphere of

...ever, the Socialists, ...von three general ...a row, twice captur... ...ute majority, have ...hat is generally ...s a determined ...e "last bastion of ...ness"—the Credit... ...3-year-old Director-... Chairman of the ...Heinrich Treichl, a ...me in the world of ... banking, has ... target of a care... ...strated campaign. ...tracts of the mem... ... executive Board ...he end of June, the ...overnment insists ...ichl should be pen... ...he time he is 65- ...His contract will be ...a "gesture of good-... ...he end of 1978.

...pendent commenta... ...t the successes of ..."Treichl era." The ...t total deposits and ...doubled since 1971. ... Bank joined the ...(European Banks ... Company) group. ...5 and 1975 foreign ... from 10 per cent. ...of the consolidated

... of the matter is ...t the Creditanstalt ...a commercial bank ...alance sheet of ...bout £2.4bn.)—and ...es the three impor... ... banks for Upper ...urg, Carinthia, ...erg and the Ava ...Credit Bank with ...ssets of Sch.110bn. ...rols an industrial ...h provides about ...Austria's aggregate ...includes the two ...-nationalised com... Daimler-Puch and ... well as large breweries, building firms, glass and metal producers.

While it is clearly exaggerating to speak about a "red takeover," the forthcoming appointment of Dr. Franz Vranitsky as Deputy Director General is a significant straw in the wind. He is the closest adviser of Dr. Hannes Androsch, the young Finance Minister. Yet the successor to Dr. Treichl will be neither Dr. Vranitsky nor the man the Director-General himself favours, Dr. Schmidt-Chiari, but the current Director-General of the Kontrollbank, the export finance institution, Dr. Helmut Haschek. He is not a socialist, but appears to be on good terms with Dr. Androsch.

Though the number two among the commercial banks, the Länderbank has "only" a consolidated balance sheet of Sch.56.4bn., it registered the most dynamic expansion last year with a jump of 32 per cent. in its assets, as against the 21 per cent. expansion for the banking sector as a whole. Its industrial holdings include the engineering firm, Wagner-Biro, the producer of paper-making machinery and turbines, Voith AG and the leading producer of man-made fibres, Chemifaser Lenzing. Furthermore, the bank took over the Oesterreichishes Creditinstitut with a balance sheet of almost Sch.9bn.

The Director-General, Dr. Franz Ockermüller, is the top socialist banker, respected even by his political adversaries. At 60 he is still the first to be in the office before the normal banking hours begin and can be reached directly by anyone. An unpretentious man of subtle humour, Dr. Ockermüller has two university degrees and is equally at home in Latin and Greek as in any area of banking activity. Behind the scenes he wields great influence going beyond even his position as president of the prestigious Association of Austrian Banks and Bankers. He still has the ear of Chancellor Kreisky, and it was at his advice that the Chancellor six years ago took the gamble of appointing Dr. Andresch as Finance Minister at the age of 32.

Mistake

It is against this background that an astute economic commentator, Herr Karl Graber, recently reproached the people's party for having committed the fateful mistake of under-estimating the enormous significance of private banking, and of having failed to set up a financing instrument operating independently of the State. By contrast the unions and the consumer co-operatives had translated such an idea into reality, he remarked wistfully.

Herr Graber had in mind the Union Bank, called Bawag (Bank Für Arbeit und Wirtschaft) in mind. Bawag, originally called Arbeiterbank, was founded in 1922 with a starting capital of a mere Sch.10,000 by the late Karl Renner, Federal President of the second Austrian Republic. Following the civil war in 1934 the Austro-Fascist regime closed and liquidated the bank. After the reopening of the bank in 1947 it operated not merely as a banker for the unions and co-operatives but increasingly as a general service bank.

Though strictly supervised, of course, by the unions, whose Secretary General and Treasurer, Herr Alfred Stroer, is the Chairman of the Board, Bawag is run just like any other commercial bank. Following a 20 per cent. rise of the balance sheet to an all-time peak of Sch.24.5bn. last year, an increase of 115 per cent. during the past four years, what was originally conceived as a workers' bank has become a power in its own right. Between 1971-75 credit jumped by 121 per cent. to a total of Sch.14.8bn., and it is stressed that two-thirds has been made available to small and medium-sized firms.

Under the leadership of Herr Walter Flöttl, who during his 26 years with Bawag has gone through all stages of banking business until he took over as Director-General in 1972, Bawag has played a pioneering role in tapping the traditional East European market and in providing export finance for Eastern trade transactions.

Bawag, together with Bank Handlowy of Warsaw, Kleinwort, Benson of London and other banks, set up the Vienna-based Centro international bank in 1974 for the financing of export transactions, primarily in Eastern Europe. By the end of last year the balance sheet had passed the Sch.1bn. mark. The second major initiative of Mr. Flöttl was the launching of a campaign to tap a predominantly working class clientele in 2,500 factories and enterprises by offering small loans with a minimum of red tape, using primarily the shop stewards and the local union organisations. So far 120,000 such loans, averaging Sch.40,000 and totalling up to now about Sch.4.5bn. have been made available. The permissible ceiling has now been raised from Sch.100,000 to Sch.150,000, and as Mr. Flöttl proudly claims, only 355 cases of bad risks, involving a mere Sch.120,000, have so far been recorded.

At the other end of the spectrum we find a handful of small private banks, most of them in one way or another connected with the commercial banks or subsidiaries of foreign banks. The largest and most prestigious private bank is the Bankhaus Schoeller, which prides itself on its "individual service." Its balance sheet grew by 15 per cent. to Sch.3.7bn. last year. Its report for 1975 stressed the selective and cautious business policy conducted in a period marked by high liquidity. In addition to a controlling interest in a small private bank and in food and sugar companies, the Schoeller family also owns a trading company with an annual turnover of Sch.960m. The bank has managed to retain its exclusive image despite the fact the Girozentrale, the central institute of the savings banks network, acquired a 10 per cent. interest in 1971 with an option on a further 10 per cent. in the Bankhaus Schoeller. The marriage appears to have proved a happy one. Last but not least two of the eight partners of the bank also play an important role in Austrian economic and political life. Dr. Hans Igler wields great influence as president of the industrialists association and Philipp Schoeller Jr. is the head of the industry section of the Federal Chamber of Economy.

Thus the entire Austrian banking industry, including of course the savings and the co-operative banks, is much more intricately connected at all levels with the small world of Austrian politics than is the case in other comparable European countries. This is the reason why in the final analysis the changing political relationships, and the role of key personalities are bound to exert an incomparably greater influence on Austrian banking than the projected changes in the banking law.

Paul Lendvai
Vienna Correspondent

CONTINUED FROM PREVIOUS PAGE

Savings banks

ship within the limited scope of that particular bank.

GZ also has a small holding in Handelsbank of Zurich, which has close links with National Westminster Bank in Britain. By the side of those U.S. and British giants, the Austrian organisation may look small, but then one must take into account also the relative smallness of GZ's home ground in Austria.

The question is legitimate as to why an organisation originally set up to serve the small man and still very much linked to his fortunes finds it necessary to take a part in the international game of high finance: is it right and proper for an organisation of that kind to accept the inevitable risks of world finance? The validity of this question has been obliquely recognised in Vienna: in view of the questions overhanging the solvency of some developing countries, it was made policy at GZ last year to be especially cautious in the choice of loans to underwrite: hardly any Third World borrowers figure on the list, which is heavily concentrated in North America, Europe and Australia.

The GZ annual report gives two reasons for the organisation's involvement in international financial markets: it has helped to channel into Austria capital imports, which are not entirely uncontroversial though they became necessary last year for reason of external payments; and it has made profits for the savings bank sector.

The latter is a somewhat paradoxical point, seeing that the savings banks are by statute non-profit making and debarred from distributing profits. But it is extremely important to bolster the reserves of the savings bank sector. Being a joint stock company, GZ itself may distribute its profits to its shareholders, meaning the local savings banks, which have no source of equity capital than their own profits and those received from their participations, including GZ.

Last year's contribution from GZ was a distribution of Sch.33.75m., consisting of a dividend of 5 per cent. plus 1 per cent. bonus. For purposes of comparison, the aggregate equity capital of the savings bank sector at the end of 1975 was Sch.7.7bn.

This equity capital is almost exclusively the product of accumulated reserves, given the structure of the Austrian savings banks. They come in two different kinds: some are owned by local municipalities, the others are organised as mutual banks, similar to British Trustee Savings Banks.

The mixed structure occasionally brings about tensions, especially in Vienna. It also explains why in the political argument, which in Austria is always an argument about places, too, the savings banks tend to be in the anti-socialist camp: the mutual banks line up with the bourgeois parties, the municipal ones split according to the colour of their local authorities.

In theory the municipally-owned banks are safer since deposits are fully guaranteed by the total assets of the local authority owning them: in practice that makes little if any difference. There has not been a failure or even a reorganisation (as opposed to an occasional bridging loan) in the sector since the war. But if there had been the cash of the local authority would probably have disappeared in the vortex. The break up value of a local authority is something that may be hard to determine—let alone to realise.

There, then, are the reason why profits do matter in a supposedly non-profit making system founded to take the small man's deposits and to lend money principally to finance local authorities and housing. There, too, is the justification for the foreign involvement of an organisation such as GZ, intended originally merely to handle the money transfers and surplus funds of the savings banks.

But the men at GZ will tell you also that as the savings banks move towards the concept of universal banking you have to take part in all aspects of the game: you cannot take part when it suits you and stay out when it does not. Maybe after all there is a certain Parkinsonian element involved. That would not be surprising in Austria—or for that matter elsewhere.

W.L.L.

BUSINESS AND INVESTMENT OPPORTUNITIES

READERS ARE RECOMMENDED TO TAKE APPROPRIATE PROFESSIONAL ADVICE BEFORE ENTERING INTO COMMITMENTS

LABOUR NEWS

Mini assembly halted by deliverymen's strike

BY PETER CARTWRIGHT AND DAVID CHURCHILL

PRODUCTION of British Leyland Minis was halted again last night, this time by a strike at one of the company's suppliers.

About 500 nightshift workers on the Mini final assembly lines at Longbridge, Birmingham, were laid off last night with a complete shut-down of Mini production likely to-day.

In addition some 1,000 workers at Jaguar in Coventry were also laid off by the dispute last night, *although no Jaguar production* was lost.

This new threat to Leyland production—following the £250m. lost production due to the rash of internal strikes in recent weeks—came after about 30 drivers at Rubery Owen in Darlaston, Staffordshire, decided yesterday to continue with their strike.

The drivers, who deliver axles and sub-frames for Leyland cars, are protesting at lack of consultation over some drivers being laid-off at short notice. They are to meet again to-day at the factory to hold further talks with Rubery Owen management.

Meanwhile, 6,000 car assembly workers at British Leyland's Triumph plant in Coventry are expected to return to normal working to-day after a two-week go-slow in support of a productivity-linked pay rise blocked by the Government's pay policy.

The result of a secret ballot on a return to normal working will be declared this morning, and senior shop stewards at the plant were last night predicting an overwhelming majority in favour of normal working pending further talks with the Leyland management.

The Triumph workers feel bitter that a promised pay review following a 10 per cent. increase in productivity in the past six months cannot be allowed under the pay policy's 12-month rule which prohibits more than one pay rise within a year.

In an attempt to boost productivity—which Leyland maintains is essential for all its plants if financial support from the National Enterprise Board is to continue—the company offered the pay review from April 1 this year.

This was included in the pay settlement last July—before the pay policy came into force—but no actual monetary increases were included in the agreement.

Following unsuccessful talks with the Department of Employment involving both Triumph management and shop stewards from the plant to get the pay review through the policy, about 500 trim shop workers at the plant two weeks ago went on a one-day strike in protest.

A mass meeting of most of the 6,000 assembly workers at the plant then decided to reduce output by about 5 per cent. until the company honoured the pay review.

Triumph management refused to agree to this reduction in output and withdrew official supervision from the assembly lines. The company also told about 4,000 workers—those directly involved in restricting output—that they would not be paid for work carried out.

After a week of the go-slow, the Triumph workers decided last Thursday to hold their secret ballot.

In return for increasing output—which has dropped considerably below the usual 2,000 models during the go-slow—the Triumph workers are seeking negotiations on pay for work carried out during the go-slow as well as an undertaking that the company would take into account the productivity increase when the next pay agreement was negotiated.

But the Triumph workers are also seeking an investigation into what they claim is substantial overmanning of administrative staff at the plant which they see as "squandering" the benefits of *their productivity* increases.

● About 300 workers at Leyland's MG sports car plant, Abingdon, near Oxford, were laid off yesterday due to a shortage of transmissions arising from the recent strike at the transmission plant at Drews Lane in Birmingham.

Liverpool shoregang strike ends

By Ian Hargreaves, Labour Staff

LIVERPOOL shoregang men yesterday called off their three-week unofficial strike which almost brought the port to a standstill.

But as the 298 shoregang men and the 1,000 other port workers who had supported the strike returned to work this morning, the basic issue of manning levels remained unresolved.

Union officials and port employers will attempt next week to reach agreement on whether some or all retiring shoregang men should be replaced. Eight weeks has been allowed for negotiations, during which two *vacancies recently caused by* retirement will be filled *on* a temporary basis. It was the employers' refusal to recruit for these vacancies which caused the strike.

It had already been agreed that a third retired man would be replaced on a permanent basis as soon as the strike was called off.

Both sides will be hoping for firm policy decisions at next *week's meetings* as there are about 10 shoregang men due for retirement in the next year.

CPSA chiefs to fight injunction

BY CHRISTIAN TYLER, LABOUR STAFF

THE NATIONAL executive of the Civil and Public Services Association yesterday decided after day-long debate to go ahead with an appeal against an injunction brought against it by Mrs. Kate Losinska, CPSA president.

Mrs. Losinska chaired the meeting that took the decision, but took no part in the debate itself, explaining she was acting with legal advice.

The High Court injunction prevents the union publishing branch resolutions of censure against Mrs. Losinska in its *annual conference agenda.*

About eight resolutions have been held out which criticise the president for an article she wrote for Readers Digest giving a warning of extremists' infiltration of the union and of the civil service generally.

But the High Court judge allowed one resolution to stand because it does not use the word "censure" but asks the national executive to investigate the *circumstances.*

Mrs. Losinska brought two actions against the executive claiming censure by the executive or branches would prejudice her chances of re-election at the union's conference starting on May 3.

A union spokesman said yesterday that after "long and searching debate" the executive decided to proceed with its appeal "in the interests of defending members and branches' rights to submit motions of censure on full-time officials."

The executive also hit back at newspaper articles about its internal dispute. A resolution was passed condemning "publication in the Press of reports and articles—for example in the Daily Mail, Daily Telegraph and Socialist Worker—publication which can only serve the interests of those who regard internal Association electoral problems as an arena for political conflict."

This was another way of saying the CPSA does not like newspapers writing about union elections.

The union has already criticised Conservative Central Office for circulating to trade union branches lists of "moderates" standing for election in May.

The executive considered a report from its general treasurer about the costs of the series of court cases in which the union has become involved.

These include defence against the *injunctions* won by Mrs. Losinska and the forthcoming appeal, preparation for a possible libel suit against the Daily Express, and a case in which a Southampton woman is challenging a ruling by Mrs. Losinska that she (the Southampton woman) is not eligible for an official post on an area committee.

The cost of all these cases was not yet known, the spokesman said.

IN BRIEF

Jones plan to be considered

The Government will consider the suggestion of Mr. Jack Jones, TGWU general secretary, for a cut in the working weeks as a way of reducing unemployment, said Mr. Albert Booth, Secretary for Employment. But abolishing overtime was "very difficult" at a time of tough pay policy.

Hours cut

Women farmworkers have had their working hours cut to 30 a week or less so that they can be reclassified as part-time workers and have their hourly rate cut, Mr. Reg Bottini, general Secretary of the National Union of Agricultural and Allied Workers told the Agricultural Wages Board in London.

Walk out

About 3,500 craftsmen at the Crewe works of British Rail Engineering walked out yesterday in a dispute over the *upgrading of a semi-skilled man.* A Works Committee spokesman said that in upgrading the man the management had violated an agreement.

Print dispute

A dispute involving printers in Sheffield prevented publication of the Morning Telegraph yesterday and of the lunchtime edition of the city's evening paper The Star. Printers walked out after one was sent home after allegedly *swearing at a foreman.*

Class size call

Teachers called for classroom sizes to be limited to 30, at the annual conference of the National Association of Schoolmasters and Union of Women Teachers at Blackpool.

Pembroke Dock to launch nine vessels

NINE vessels will be launched by two associated companies in Pembroke dock over the next few weeks in the biggest launching "season" for years in a town where the Welsh shipbuilding industry is now exclusively centred.

The ships, ranging in size from a 300-ton ferryboat to a 2,000-ton offshore industry *barge, will* go into the water from four Pembroke sites on the completion of orders worth more than £4m.

Actors' referendum on South Africa ban

EQUITY, the actors' union, is to hold a referendum on whether its members should be banned *from working in South Africa* or Rhodesia.

Members will also be asked if they want to stop the sale to South Africa of all recorded, filmed, or taped material in which Equity members figure.

The ballot plan follows a decision by the Equity council, the union's governing body, not to initiate the bans immediately as they were asked to do recently by the union's annual general meeting.

Mr. Peter Plouviez, the union's general secretary, said the council supported the union's present policy of banning only the sale of television programmes to South Africa. But it did not consider that the stronger moves demanded by the annual meeting were in the best interests of the members.

"The Equity Council considers that the question of a ban on members working in South Africa and Rhodesia is too important to be made at a poorly attended and unrepresentative annual general meeting."

Union policy is that members are asked to sign a declaration that they will not play before segregated audiences. If they wish to appear, they do so without the protection of an Equity contract. The union has no specific attitude towards Rhodesia.

Shot driver's funeral disrupts tube services

SOME UNDERGROUND services were disrupted in London yesterday as train crews took time off to pay tribute to a driver shot dead after a bomb blast on his train last month. Metropolitan line services between Edgware Road and Whitechapel were cancelled because of a shortage of guards and drivers.

Most of them were attending the funeral of Mr. Julius Stephen, *married with a five-year-old son,* who was shot as he chased a man after the bomb exploded in a train at West Ham. A man has appeared in court accused of murdering him.

Mr. Stephen's family have received the first award to be made by the Ross McWhirter Foundation for "good, active and courageous citizenship." The foundation was formed after Mr. McWhirter was murdered by a gunman at his home last October.

A fund launched by the *National Union of Railwaymen* for Mr. Stephen's family has now topped the £10,000 mark, an NUR spokesman said yesterday.

Teachers warned of EEC interference in freedom

A WARNING that the freedom of Britain's teachers to teach effectively was in danger and was being gradually eroded by Common Market legislation was made in London yesterday.

Mr. Ian Mitchell Lambert, new chairman of the Derby-based Professional Association of Teachers, said at its annual meeting that current opinion among Common Market politicians suggested that they would impose central direction on teachers directly into the classroom.

He said: "Central direction from Brussels looks as though it will be with us in five years unless some of us wake up and *make* our views known."

There was also a psychological campaign under way which would result in teachers reluctantly having to accept the situation, he claimed. Mr. Lambert suggested that the real political activists were interested in education was that they could prepare the ground for major changes later on.

Because of alleged militant and political action by some teachers—instead of professional dedication—the results of poor education was being used as ammunition to make major inroads into professional integri

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The Marketing Scene

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SALES PROMOTION

Price is supreme

BY ANTONY THORNCROFT

THE sales promotion industry has changed dramatically in the past twelve months. Price has become the paramount consideration, and manufacturers began to concentrate their promotions in the area of price cuts and, in particular, money-off coupons. At the same time retailers have increased their dominance, and more and more companies linked their marketing efforts to the individual stores who control the grocery trade.

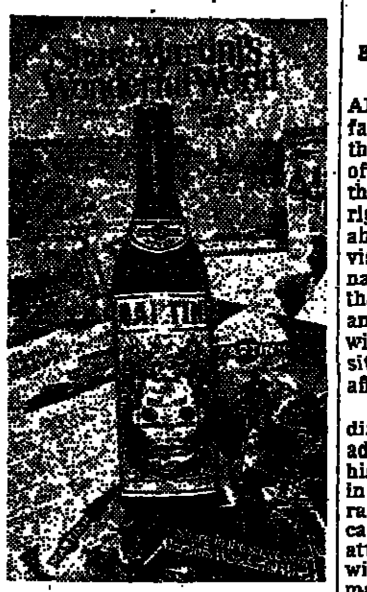
With marketing becoming a much more short-term and basic operation grocery manufacturers restricted their longer-term, product, advertising, and put money into below-the-line promotions. As a result Promotion '75, the annual review of the industry by the Osborne Group subsidiary MS surveys, shows a rise in the number of promotions after some years of decline. The research group monitored almost 10,000 promotions last year, a rise of 13.7 per cent.

Many more promotions concentrated on price. There was a rise of over a third in this category, with coupons registering a gain of 48 per cent. and reduced price offers 31 per cent. In all, a promotion offering a reduction in price accounted for over a half of all promotions in 1975. Contests also gained, by 12 per cent., with holidays, cash, and durables being the unsurprising prize incentives, and self-liquidators also made a slight revival.

The promotions which failed to enjoy a boom in 1975 were multi-packs, free mail-ins, and give-aways, which all declined. The products which made most use of promotions were petfoods, soups, preserves and desserts, sauces, flour and dairy products. The areas of depression were medicinal products, toiletries, and tobacco.

For years, below-the-line marketing has been the rather overlooked poor relation to the more glamorous advertising campaigns. But as manufacturers looked for quick marketing results at the expense of brand image, all involved in the business had to follow the new trend, so, for the first time on a major scale, above-the-line advertising was used to publicise below-the-line promotions. This was carried to its most obvious limits in as far as nine of the top ten advertisers in 1975 were retail stores.

The number of promotions was rising steadily at the end of 1975, suggesting that 1976 will be another year of growth. The more detailed investigations reveal that 38 per cent. of all promotions last year were reduced price offers followed by 17 per cent. coupon offers, and 13 per cent self liquidators.



The extravagant Martini competition, with prizes of an aeroplane, a power boat, and a Lamborghini has been judged Promotion of the Year. It attracted over 100,000 entries.

As usual there was no single promotion last year which aroused much enthusiasm from MS Surveys but its annual Promotion of the Year went to Martini for its "Share Martini's Wonderful World," competition, which as a counter to a rather depressing time offered prizes of a light aircraft, a speed boat, and a Lamborghini. The glamorous prizes attracted over 100,000 entries and the organisers McCann-Erickson, and the client, judged the promotion a success.

Promotion '75, which goes into detail on type of promotion, kind of self liquidators offered and their value, analyses of competitions, etc., is available from MS Surveys to subscribers to the monthly Merchandising and Promotional Intelligence, which monitors promotional activity in the U.K. for £96 a year.

London quote

INTERPUBLIC, the American advertising agency group which claims to be the largest in the world, is seeking a listing of its share price on the London Stock Exchange. Its main agencies are McCann Erickson and Waseys, and its world wide billings are about $1.2bn.

Around 54 per cent. of Interpublic's revenue comes from sources outside the U.S., and, in all, it works for 1,600 clients in 50 countries. In 1975 Interpublic increased its gross revenue by 13.4 per cent. to $178m. Another leading American agency, OBM, also has a quote in London.

TELEVISION ADVERTISING

Buy better and save money

BY GEOFF BALLINGTON, MEDIA AUDITS

ADVERTISERS are going to face very heavy television costs this autumn if the predictions of demand being circulated at the moment are anywhere near right. As demand for the available airtime increases, the television companies will quite naturally wring all they can from the market which—like that for any commodity — fluctuates widely with demand, and is sensitive enough to be severely affected by confidence or rumour.

What makes life especially difficult for the television advertiser (and the buyers in his advertising agency) is that in this market place the going rate is never known. If you can imagine a manufacturer attempting to buy raw materials with a knowledge only of the maximum statutory price, and no information about what others are paying, you will understand why the business of selling and buying television time has developed into a highly specialised and largely arcane art.

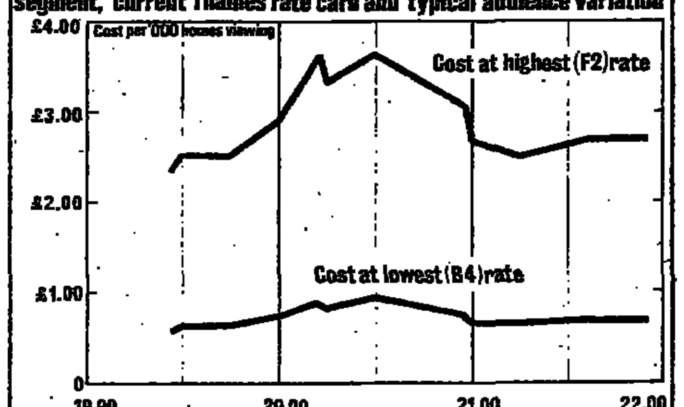
Because of this it is only recently that many advertisers, pressed by harsh economic realities on the one hand, and aided by the educational activities of the ISBA on the other, have begun to question just what they are getting for their television budgets, and discover that appreciable improvements in value can be achieved by a deeper involvement in this hitherto closed area.

These differences in value have been accelerated by astute tactics of the television companies. For example, in a segment of time covered by the same rates, audience variations of 100 per cent, within that segment are quite commonplace, and at the extreme in London (Thames) there are no less than six different prices for a spot within a segment, the spot going effectively to the highest bidder.

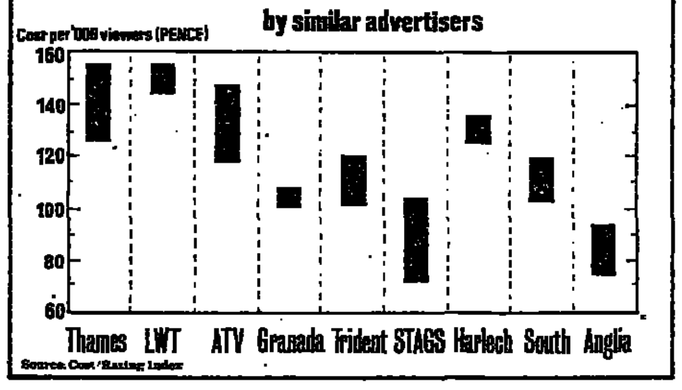
As there is no fixed relationship between the price paid and the audience achieved, the possible variation in value is obvious. Figure one shows how at the extremes one advertiser could pay more than six times as much as another advertiser per thousand viewers within the same segment, though in practice, of course it doesn't work out quite like that.

However because no advertiser knows what others have *actually* paid (rate card costs only are published and as figure one demonstrates, these can mean very little), he can never know *objectively* how well or badly he has fared. Agencies, as buyers, can with the best will in the world hardly be totally dispassionate, and they are able to assess performance only in the light of their own, totally subjective, experience.

Range of greatest and least costs— Monday to Friday peaktime segment, current Thames rate card and typical audience variation



Highest and Lowest Overall Costs Achieved in one month by similar advertisers



To overcome this problem and to give advertisers both objectivity and a wider perspective on what other major advertisers are paying, Media Audits set up the Cost Rating Index in January this year. Its subscribers, all of whom are major and committed users of television, and collectively spend £20m. a year, provide confidentially to Media Audits *actual* spot costs and Jictar audience achievement.

These are pooled into an Index against which each advertiser can rate his own performance. Thus no subscriber knows another subscriber's results but he has a "norm" of other major advertisers against which to monitor his value.

The role of the "norm" against which an advertiser, adopting a particular buying strategy, finds his acceptable level is of the utmost importance, for individual advertisers adopt very different television strategies and have different needs for the medium. It is where a subscriber begins to depart from his accepted level against the norm that Media Audits is able to alert him to the need for action, and to examine the buying policy in greater detail, so as to point efforts in the most fruitful direction.

Since subscribers have provided their 1975 performance data to the Index, on the basis of the experience of the first three months of 1976, some detailed comparisons can be made.. Already important and indeed surprising facts have arisen, and while most of these must remain confidential to subscribers, some are of more general interest in that they suggest that several of the myths set up over the years of time buying need a bit of dusting and re-examination.

For example, we had expected the differences in performance between subscribers (all of whom are major advertisers) to be quite small. Figure 2 shows overall performance of the best and worst advertisers in one period of 1975 and is fairly typical of the level of difference. The product fields concerned are fast-moving packaged goods, and there are no a priori reasons to anticipate such differences. (The same advertiser is, fortunately, not always best/worst!) Nevertheless, the better advertiser on Thames TV, for example, spending, say, £20,000 over a four-week period is watching his less efficient rival pay nearly £25,000 for the same audience.

Overall, there is an apparent pattern of diminishing differences as the TV areas get smaller, and if this emerges as a general rule it will have interesting repercussions in the deployment of companies' time buying efforts.

Looking at individual companies' performances across the television areas, data from the Cost/Rating Index suggest that few companies are consistent against the norm in every area and at all times. It is not surprising that such variations occur —what is important is that up to now no company has had any way of *knowing* in which areas they were doing relatively well or badly and therefore no opportunity to put things right.

These comparisons have all been made on *cost* data. The other important aspect of the Cost/Rating Index service is analysis of Average Rating (average audience) information which accompanies each cost. Many advertisers believe that stipulating an "average audience size" to airtime buyers ensures a good proportion of the higher rating spots which in turn denotes good quality airtime for which they are prepared to pay above the odds. This is an over-simple but useful buying rule which has been handed down over the years, but is it true? Is it true of all areas? Is it true of all seasons? And if it is true, how much above the odds?

The Cost/Rating Index is beginning to throw light on this sort of question, pointing to inconsistencies between campaigns and helping advertisers to be clearer about the objectives they are setting for their television budgets and above all to be surer that they are achieved.

Agency news

● THE Media Business, the specialist media agency, has formed a new subsidiary for the planning and buying of poster advertising. To be known as the Poster Business its chairman is Nigel Rogers and chief executive is Maurice Coop who is leaving the Charles Barker Group where he was Outdoor Media manager. The new company is handling over £1m. of outdoor billing including Vaux Breweries, Midland Bank, and United Rum Merchants.

● KIRKWOODS has prepared the advertising for CBS's promotion of its record, "Abba's Greatest Hits." The campaign starts on ATV to-morrow.

● SAMBRON, manufacturers of rough terrain forklifts, is the latest industrial company to use television advertising. It starts an initial six week campaign in most regions on Sunday with spots in News at Ten and farming programmes.

● ROE-DOWNTON, which finally completed its merger last week by moving into new premises at 103-109 Wardour Street, has quickly captured a new account. It will handle the advertising for Punch and Partagas Havanna cigars, probably brand leaders in the fine cigar market. The new agency has a billing of around £10.5m.

● BOASE MASSIMI Pollitt has been appointed to handle the £150,000 Quick Quaker Oats account, the market leader in the £8m. conventional porridge market. Collett Dickenson and Pearce resigned the account recently, and this new appointment puts all Quaker Oats human food products with the same agency.

● THE total net advertisement revenue of the Independent Television Companies for March, 1976, after deductions of agency commissions and all discounts was £18,839,442, according to the ITCA.

Six markets exceed £100m.

INFLATION has done wonders in blowing up the size of grocery markets. Nielsen has just looked at the size of over a hundred of the main product categories likely to be found in the stores, and five of them managed sales of over £100m. in 1975. They were biscuits, butter, natural cheese, packaged detergents, and tea. Two more were in the £80m. plus band—coffees and ready to eat cereals.

Most markets have naturally expanded, with soft drinks and instant potato showing the biggest rise. In terms of size canned dog foods, canned soups, margarine and toilet papers come next in dominance, all with sales over £60m. The leaflet "Grocers Markets in 1975" is useful for companies researching new markets and wanting some indication of their size.

Among the interesting points from the lists are that razor blade sales through grocers, at under £3m., fall in the same category as pre-packed salads, bread crumbs, and mint sauces. Up to £5m. comes suet, canned sweet corn, ready mixed stuffings, and among many more, rather surprisingly, chilled desserts. Up to £10m. there is domestic salt, blackcurrant health drinks, packaged nuts, shampoos, and again on the small side, household cleansers. And so it goes on —a useful check list which Nielsen publishes in the hope of getting clients to buy more detailed breakdowns of the markets covered. A.T.

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THURSDAY, APRIL 22, 1976

Squeeze on spending

THERE WAS only a relatively small rise during March in the indices of basic wage rates. It is conceivable that they may have to be revised upwards later: as they stand at present, however, they imply that the *year-on-year increase in* wage rates, which has remained little changed since last autumn, fell from 27.4 per cent. in February to 22.9 per cent. in March. For comparison, the index of retail prices in March was 21.2 per cent. *higher than a year before.*

The comparison with prices *is more significant if made with* the index of earnings. It appears that prices year-on-year have been rising faster than gross earnings for several months past. In February, when the earnings index was *19 per cent.* up on the year, the RPI was up by just on 23 per cent. It is clear, *especially if* one bears in mind that these are gross earnings before tax and National Insurance, that the average real purchasing power of those concerned has fallen quite sharply as a result *of inflation* combined with voluntary wage restraint.

Retail sales

This fall in real incomes, combined with an increase in the ratio of personal savings to income, is the explanation of the long-standing sluggishness of retail sales. Certainly the volume of retail sales recovered slightly between the last quarter of 1975 and the first of 1976, but *the increase was entirely* concentrated in January and was almost certainly due to bargain-hunting during the sales season. The volume of sales in the first quarter of this year was, even so, some 3 per cent. *lower than it was a year ago.* Taking a longer view, the *volume sales index* reached a peak of 111.7 in the final quarter of 1973. In 1974 it averaged 109.9, in 1975 it averaged 107.9, and the figure for the first quarter of 1976 is 107.7.

Retail sales account for only part — rather under half — of total personal consumption; but real consumers' expenditure, too, has dropped slightly from its 1973 peak. Wage restraint *and inflation apart, this is the* natural consequence of the *business recession.* The £6 pay limit has been so widely observed partly, at least, because of the high level of unemployment. The Government's problem now is to secure an effective successor at a time *when the economy is already* showing the first signs of moving forwards again.

Prices to come

Trade union leaders, though *unhappy* about the precise terms of the package proposed by the Chancellor in the Budget, seem inclined to continue co-operating with the Government. But it remains to be seen what price they will demand for co-operation *and* whether it is one that the *Chancellor can accept* without undermining his economic strategy. It also remains to be seen whether trade union members will be as willing to accept the recommendations of their leaders when the economic *situation is improving as they* were before.

The basic fact of the matter is that higher personal consumption must wait upon an improvement in the overseas trade position and an increase in productive investment. Higher prices are already in the pipeline, partly because of a decline in the sterling *exchange rate caused by fears* that continued wage restraint will not prove effective. This decline must be treated as an opportunity for moving on to a path of export-led growth, not as an excuse for allowing too *many concessions to the* TUC. If personal consumption were to rise too fast as a result of such concessions, the Chancellor has already given warning, he would be obliged either to raise taxation or cut public expenditure *further.*

President Giscard can fight back

THE FRENCH newspaper *Le Monde* recently carried an article called "Are we in 1934?" It recalled the success of the French Communist and Socialist Parties in the cantonal elections of October of that year, their further advance in the municipal elections in May, 1935, and finally the legislative elections in April-May, 1936, when the two parties campaigned under a common programme and were able to establish the Popular Front Government.

In more recent years the Communist-Socialist vote has advanced *from* 32 per cent. *in* the presidential election of 1965, to 43 per cent. and then 45 per cent. in the legislative elections of 1967 and 1973, to 49.3 per cent. in the presidential election of 1974 and to no less than 53 per cent. in the cantonal elections last month. The *next legislative elections* are due in 1978: hence the question "Are we in 1934?" In other words, has the Communist-Socialist advance become unstoppable?

Economy

The answer is almost certainly no, or at least not yet. President Giscard d'Estaing has the great asset of time. Two years is a very long time indeed in which to reverse recent political trends, provided he uses them well. The *President also has* two other specific advantages. The first *is his own personal* popularity which still appears *greater than that of any other* French politician including M. Mitterand, the Socialist leader of the Left-wing alliance. (The latest polls suggest that Giscard would still beat Mitterand in a presidential election, although narrowly, just as he did in 1974.) The second is the economic recovery which, as in the U.S. and West Germany, now seems to be well under way.

It is true that recovery in France also brings risks: for example, to the balance of payments and to the attempts to restrain inflation. Even an undervalued franc, which the *French have tended to exploit* in the past, is now a mixed blessing given the heavy dependence on imports from Germany. But they are the kind of risks which President Giscard should find much easier to manage than those which stemmed from the rising *unemployment and low growth* rate of the past year or so. The latest figures suggest that GNP may now be expanding at an annual rate of 8-9 per cent.: the new five-year plan foresees an annual growth rate of 5.7 per cent. until *1980. Anything* like this should make France *much easier to govern,* certainly under President Giscard.

There is also, of course, a more political battle. The President cannot rely for his support solely on the mixture of Gaullists and Centrists who have formed the majority so far, but nor can he afford to alienate the *Centrists by moving too far to* placate the Gaullists. He is therefore condemned to present himself as what he probably really is, namely a liberal reformist. If he can do this, he may yet succeed in winning votes away from the Socialist end of the Left-wing alliance, the same reward as should come from the economic *recovery.*

Elections

Two other factors could help. The first is that the alliance of the Left is not necessarily unshakable. External events—for example, Soviet policy towards Yugoslavia—could put it under very severe strain, and the present *government* will no doubt look for every oppor*tunity to insert a wedge.* The second is that the 1978 elections *are legislative only:* the National Assembly could be dissolved and new elections called if President Giscard were unable to name a government. Alternatively, he could call an early presidential election in the hope that the Left would then be solidly beaten. Taking all these chances and opportunities together, the odds are that the Left will be stopped.

Dr. Kissinger: the President's loneliest man

BY JUREK MARTIN IN WASHINGTON

HENRY KISSINGER has been the embodiment of American foreign policy for the past seven years. Any discussion of its confused and *fragile state at present* must ultimately focus on him, his *attitudes and his relations with* the other parts of the American power structure. But perhaps a better perspective of Washington and the world it surveys may be gained by concentrating initially on somebody else, partly because of what he stands for as an individual and partly because of what he represents —the U.S. Congress, the legisla*tive branch of the American* Government, which to an outsider may be the most misunderstood institution in the country.

Mr. Dick Clark is a freshman senator from Iowa who always wanted to be on the Senate Foreign Relations Committee. He was only too happy to earn his spurs on the most insignificant *sub-committee of that* august body, that dealing with African affairs. On his own admission largely ignorant of the continent when he started, he had every reason to suppose he would endure an unexciting apprenticeship: for America's African policy, as outlined by *the Kissinger memorandum of* January 2, 1970, was one of essential non-attention.

The war in Angola, above all, changed this. As much as any other Senator, Mr. Clark was responsible for denying the U.S. Government the funds to continue its semi-clandestine activities in the former Portuguese colony. He became, sud*denly, a Washington celebrity,* attacked by the Administration and its conservative supporters as an example of Congressional interference in foreign policy, hailed by liberals as the epitome of the new Congressional *conscience* which would not allow an Administration to dictate policies over the heads of the nation's elected representatives.

In reality, Senator Clark is neither. Last week, he did propose a piece of legislation which would oblige the Administration to present more foreign treaties to Congress for ratification, *rather than denominating them* as "executive agreements" not subject to Senate approval. But his attitudes, overall, are far more pragmatic.

As he puts it: "Congress may theoretically be institutionally capable and have the potential to provide an alternative foreign policy. But, as things practically fall, it is unlikely to do so."

Distracted by hordes of other responsibilities on the domestic front, "our role is invariably a negative one." In practice, he says, "we do not know enough about the subjects on which we are supposed to take positions." He would prefer it to be otherwise, but finds himself only too aware *of* the ebb and flow of congressional sentiment. The Legislature, *he feels* for instance, will almost certainly now not enact *any form of* meaningful supervision over American intelligence activities, in spite of the mood at the turn of the year to do so.

One fact of life does remain: that, after the executive excesses of Vietnam and Watergate, no Administration, for some years ahead, will enjoy the freedom of operation exercised by Presidents Johnson and Nixon. In this sense, the *pendulum* has swung back towards the Legislature. Within the boundaries of *that major* swing, it may still move back and forth with smaller variations. But, as Senator Clark sees it, unless the Administration tries to hoodwink Congress, issues will tend to be decided *on their individual merits.* That may well be construed outside the U.S. as the *re-emergence of* neo-isolationism, but—and this is important—it is not seen as such inside the Congress.

Presidential aspirations

As far as Dr. Kissinger is concerned, all of that is so much balderdash. The message that *he has been preaching* around the country of late is that any evidence of dissention within the U.S. weakens American credibility in foreign eyes. Ostensibly he has been directing his admonitions against two men with *Presidential* aspirations, Mr. Ronald Reagan from the Republican side, and Sen. Henry Jackson among the Democrats. Both have accused him of fostering a defeatist foreign policy as far as American relations with the Soviet Union are concerned. But it seems im*probable that either will end up* with the nominations of their respective parties. Dr. Kissinger must know that: he may not be a purebred politician, but equally he is not naive politically. Therefore his warnings can be seen *in only one of two* lights: as a philosophical and deeply *felt* homily for the Congress, and for the Democrats who control it now, and will almost certainly continue in control after the elections in November; or as a reflection of the political dictates of the Ford Presidential election campaign.

Just before Christmas, Dr. Kissinger's stock with the Congress was so low that there were open mutterings about his impeachment. These have been quelled, perhaps because of the ebb and flow of Congressional sentiment, perhaps because it is realised that his tenure as Secretary of State will not last beyond next January, when the new President, whoever he may be, *is inaugurated.* Indeed, the question now is whether Dr. Kissinger's greatest problems lie with the Congress or with the Administration of which he is a member.

It can be argued that Dr. Kissinger has become a movable pawn in President Ford's elec*tion campaign. Two of* Mr. Ford's oldest cronies, Mr. Rogers Morton and Mr. Melvin Laird, have spread intimations of Dr. Kissinger's mortality, for purely political reasons. There is evidence that his desire for speedier rapprochement with China has been delayed not only *by the upheavals in Peking,* but by the political necessity, in Republican eyes, of not abandoning Taiwan before the Reagan challenge for the nomination is removed. The SALT talks with the Soviet Union are in some measure hostage to the election. And the President himself, per*haps unknowingly,* has done his level best to embarrass the State Department over the Panama Canal negotiations, simply because Mr. Reagan has been making hay over the issue with intransigent statements.

There is, too, *a discernible* difference in the way Mr. Ford *and* Dr. Kissinger express themselves on America's global role. The Kissinger exposition, enunciated in his frequent speeches around the country, remain complex but lucid, conditioned by balance of power *considerations and by the need* to find a *modus vivendi* with the Soviet Union now that America no longer enjoys global supremacy. Mr. Ford, partly from personal conviction, partly as a result of Mr. Reagan's *criticisms that the Secretary of* State is consigning the U.S. to secondary status, and partly because of his efforts to get Congress to sanction increased military spending, is much more basic: he has expunged "detente" from the political lexicon. A cynic might be excused for concluding that the President is too often guilty of that sin of which Dr. Kissinger invariably accuses his critics—that of reducing everything to the lowest common denominator of campaign rhetoric.

But, at the crunch, so far Mr. Ford has stuck behind his foreign policy guru. He might want to offer the job to some*body else: to Mr. Donald Rums*feld, his trusted Secretary of Defence; or Mr. John Connally from Texas; for example. But the evidence is that such a switch is not imminent. Dr. Kissinger may be a lame duck Secretary of State, *he may be* battered and in part discredited, but *for the moment he* still runs the show.

But for the Democrats who oppose him it is now not merely fashionable but positively respectable to take issue with his concepts of the American role in the world. At a conference in Washington last *week Dr. Kissinger found him*self matched against three Democratic foreign policy advisers, Mr. George Ball, Mr. Paul Warnke, and Mr. Zbginiew Brezinski. The Kissinger thesis is now well worn—that Communists in Government *in* Western Europe must mean the *end of* Nato *and the end of the* European-American democratic alliance as a moral force in the world. His belief is that if the chips are down any Communist Party in Western Europe must answer to the beck and call of *Moscow.*

The opposition view is that *the U.S. must deal with foreign* national realities. If power slips from the Christian Democratic Party in Italy, it will be because of its own inadequacy. All the U.S. can do about it would be to deal with the new situation accordingly.

The controversy over the *"Sonnenfeldt Doctrine" shows* how thoroughly Dr. Kissinger is *going to be skewered whichever* way he turns. When the first Press reports of the briefing given by Mr. Helmut Sonnenfeldt Dr. Kissinger's right hand, to American ambassadors in Europe last December were published, the Secretary of State was pilloried for even entertain*ing the notion that Russia* should be allowed organic hegemony over the countries of Eastern Europe. When it transpired that what both Mr. Sonnenfeldt and Dr. Kissinger himself had argued was that a Communist accession to government in Western Europe should be resisted *at all cost, this view* was severely taken to task.

What was overlooked was the fact that much as Dr. Kissinger may threaten to withdraw American troops from Nato, there is grave doubt whether Congress would agree to it. After all, this is a Congress which, *for the first time in* years, has no plans to discuss *the Mansfield Amendment* calling for cuts in U.S. troop strength overseas. It has agreed to sharply increased defence spending, its Democratic mainstream is saying that the U.S. should concentrate on its tradi*tional allies in Europe and* Japan, reassure them of U.S. military backing, and not seek to impose itself unduly on their individual rights.

Congress can, of course, be capricious. There is every chance that ethnic allegiances will be put to ... *Hill to block* ... and Turkish aid ... succeed, it will ... because the e... done its work w... likes multi-yea... mitments to f... because it feel... pinge on the co... doubly importa... budgetary proc... government *sp*...

The Spanish ... could also be ... *sentiment, tho*... congressional ... moment is tha... to lend whate... can to the pro... ing democracy ... This comp... little consolati... have been acc... *years to greate*... the exercise, ... *external power,* ... matter of grea... Kissinger hims... has been at t... of that power f... given a weake... a much criticis... State, and a D... and Congress h... it is a fact of p... is why it may ... to understand ... of the Washin... is to unravel ... Henry Kissinge...

MEN AND MATTERS

Not our ball game

Would the real snooker/billiards/pool fan stand up please. He has both me personally, and the *Financial Times* corporately snookered. In the last two days we have had no less than five letters (all perfectly addressed even down to the correct postal code) from Taiwan. All five are offering to supply us with equipment related to cue games, quoting three different sources as to our need, and the truth is that we don't really want to know.

Nevertheless, whoever perpetrated the diabolical deed of suggesting that the *FT* was in need of such implements achieved two things at least. On *the one* hand it showed just how competitive are the Nationalist Chinese: five letters just on billiard cues? On the other it gave me some super examples of English from abroad.

I quote, "We have got your esteemed name from the News *Economic,* and we know that you might be interested in the *imporation* (sic) of cues . . . For many years we have been selling our products to America and Japan with very good experience and performance. We'd be very pleased to serve your orders if you give us the opportunity."

That came from Chan Mo Enterprise Company which, I am afraid, is *slightly upstaged* by the Wetts Enterprises Company. *Obviously* worried by the Sex Discrimination Act its letter *is headed M/s* The Financial Times. Ironically, it signs off *with* "we await your good news."

Lack of space prevents a full catalogue of the letters received, so let me finish with a quote from the delightfully titled Ever Shining CCW Trading Company. They inform us: "You will observe that the prices quated(sic) are exceptionally low and as they are likely to rise very soon due to petroleum hike, we would advise you in your own interests to place your order as early as possible."

"I wish there was a legal way of doing that!"

A powerful sales line gentlemen, but we really do not want to deal. Sorry.

BR plus

When Peter Parker starts on one of the country's most unenvied jobs on September 12—the chairmanship of British Rail—he will set a precedent for that board by retaining his links with the City, in the short term at least. Of his existing dozen or so directorships, he is being allowed to keep a couple of non*executive posts for a period of* 12 months.

These will be at the Rockware glass group and H. Clarkson, two companies where he has been chairman. No previous BR chairman has been allowed a similar concession. The two outside directorships will pay a modest £1,000 each: much has been made of Parker's financial sacrifice in accepting BR at £23,330 a year.

It is unusual for nationalised industry heads to keep on other *directorships,* an *exception* being Freddie Wood, who combines the part-time chairmanship of National Bus (Parker will be full-time at BR) with jobs like heading the Croda International chemical group. The Department of the Environment explained last night that it was at minis*terial discretion* whether a nationalised industry boss continued with outside interests. There must be nothing conflicting with the principal task.

It is unclear yet whether that counts out the British Airways Board on which he has sat since 1971.

Roubles resolved

West Germany's Federal Finance Ministry has just resolved the vital moral and philosophical debate of what constitutes "legal tender." It has taken the past three months to decide that the Russian 10-rouble gold piece—officially forbidden to Russian citizens—is actually a coin proper rather *than simply an officially-blessed* medallion for export consumption only.

Abstruse though it may appear on the surface, the argument has far-reaching cash implications. If the Russian gold piece was judged a medallion it would be subject to Value Added Tax, a fact that would certainly make it far less interesting to prospective purchasers.

The 10-rouble gold piece was introduced to the West German market in December by the Dresdner Bank, the Republic's *second largest commercial bank.* Before it did so, the Dresdner, with true banker's caution, checked with the Finance Ministry and back came a letter, dated December 3, stating that the gold piece was not subject to the tax.

By late January, however, the Ministry was having second thoughts, prompted apparently *by the fact that the coin was* not in legal circulation in the Soviet Union. The Dresdner, which had spent a good deal promoting the coin, withdrew the piece from the market, with some grumbles of discontent.

The Dresdner was not the only organisation with its nose *put out of joint. If the 10*-rouble piece was adjudged liable to VAT a similar fate could be expected for every other gold coin on the West German market that was not permitted to circulate freely in *its country of origin.* There was also some disquiet in the producer nations, where the minting of exotic gold coinage has proved a useful supplement to government revenue.

Now the rouble piece is back on the market at a VAT-free selling price of DM115 per coin (about £24.50). *For earlier* purchasers there is the news that the Dresdner's buying price to-day stands at DM105 per piece, a little more than the highest over-the-counter sales price at the beginning of the *year.*

Naturally

The Professional and Executive Recruitment service in Guildford is sending out details of a vacancy with a local business which *manufactures inflat*able safety equipment. Having *given that information* and the name of the company, a line is devoted to "How the vacancy arose." The answer: "Expansion."

For the diary

Delphic utterance on the mysteries of public schools in *The Times* yesterday: Eton College announced that "The corps *trooping will be on the evening* of June 4, and the Fourth of June will be celebrated on June 5 . . ."

Observer

ECONOMIC VIEWPOINT

BY ANTHONY HARRIS

Monetary crunch—but not till next year

IT WAS A slow burn, but a big bang. The veritable Jeremiad which emerged from W. Greenwell and Co., exactly a fortnight after the Chancellor had sat down after his Budget speech, was enough to stop a vigorous gilt-edged market in mid-rise; and it is hardly surprising. Mr. Gordon Pepper, who has established himself over the years as the most persistent critic of official monetary policy, and a prophet whose warnings have had an uncomfortable habit of being justified by events, told us in a few savage pages that everyone—the Chancellor, the markets, all the commentators to date, and indeed, by implication, the Bank of England and the International Monetary Fund—had got it wrong.

The Chancellor has been accused of small errors of economic judgment—probably a little too expansionary, in the majority view represented by this newspaper; a little too niggardly according to the TUC, supported, oddly enough, by at least one stockbroker, Phillips and Drew, only a day before the Greenwell explosion. But according to Greenwells, the error is monstrous. The Chancellor, like a Bourbon king, had learnt nothing and forgotten *nothing: he was repeating the* errors of the then Mr. Anthony Barber.

The accusation, and it is a cogent one, can be summed up roughly, as follows:—

● We are living in a fools' paradise. The unprecedented combination, last year, of deep depression and rapid inflation made a huge public sector deficit absolutely necessary, since saving was high—a reflection of the collapse of confidence—and a large increase in the money supply was required to finance the inflation. With confidence reviving and inflation falling, these conditions are changing dramatically: *but the Government's fiscal stance has not changed.*

● The Chancellor's undertakings on monetary policy are not to be relied on. Mr. Barber did not plan a *money explosion*; he simply found it politically impossible to take the necessary steps to prevent it.

● Much of what is at present being greeted as good news is in this connection bad. The rapid growth of exports and the improving balance of payments throw a bigger burden on domestic borrowing, just when borrowing is becoming more difficult. The more willingly the TUC falls in with an effective anti-inflationary policy, the more expansionary the results of the Government deficit.

This is a grim indictment, and it is not easy to fault its internal logic—though I would argue that it is misleading to base an argument about the money supply on the increase in the Government's planned financial deficit (which happens to be rising faster than notional income) rather than on the borrowing requirement (which is rising more slowly). It is the borrowing requirement which measures the problem to be met in the financial markets. But *this does not alter the* picture radically.

Attack

The argument, if we are not simply to sit back and await Weimar collapse of the currency, must be based on more fundamental considerations. These attack the fairly pure monetarist position adopted by Greenwells from a number of points of view:—

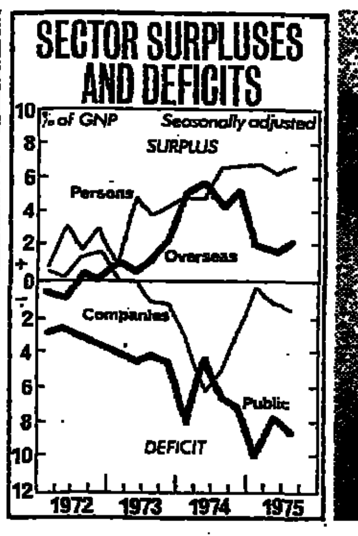
1—The monetarist position is that the fatal mistakes were made in 1972/3, when the Government applied a sharp fiscal stimulus on top of a cyclical upturn. Monetary growth accelerated dramatically. Did this cause the trouble, or did the still bigger fiscal deficit of 1973-74 have something to do with it?

2—For a pure monetarist, a deficit is a deficit: but it does perhaps make rather a difference how the deficit is generated. Here the differences between 1972 and 1976 are dramatic.

3—It also matters how a rise in the money supply is generated. In 1972-73 the great engine of expansion was private borrowing; but after the banking system's narrow squeak in 1974, both lenders and borrowers remain far more cautious, and the implications are important.

The first of these points is certainly the most important. As is shown by the graph, the public sector deficit, though very much higher in 1972-73 than in the previous year, was not yet astronomical: indeed, apart from debt interest (we will come to this distinction later) there was still a surplus of £0.5bn. It was in the following two years that the deficit doubled as a proportion of GDP: and the increase in 1973-74, *when the economy went up to* and past the limits of its capacity, is surely the great *fiscal* howler of the Heath era.

The prospective profile now is totally different. If this year is the cyclical equivalent of 1972-1973, it is also likely to represent the peak of public sector borrowing. In real terms, the present plans for public expenditure show nil growth from the first-half of 1977 on a year earlier and then came some real cuts (as Greenwells have themselves pointed out). With revived real growth, tax revenues, even in constant price terms, should be improving sharply. The turn-round should be fairly dramatic.



Freddie Mansfield

Glyn Genin

Mr. Anthony Barber, now Lord Barber, and Mr. Denis Healey: two Chancellors with different problems.

As for fiscal policy, then, it is possible and even likely that Mr. Healey has made a similar (and relatively mild) mistake to the one Mr. Barber made in his 1972 Budget. But where Mr. Barber went on to bigger and worse errors, Mr. Healey's plans provide for a correction. The monetary policy undertaking in his Budget speech further implies clearly that if the money supply does begin to develop as Greenwells fear, then he is ready to take *fiscal* action (regulator taxes or emergency spending cuts) at an early date. A deficit may be a deficit, but chalk is not cheese.

In any case, was the deficit the real problem in 1972-73? It is surely clear that the major error was not so much in fiscal policy as in monetary policy. The huge credit expansion of 1972-73 was a mixture of politics and technical muddle: the authorities really did not know what monetary expansion meant, since the banks were bidding back business which had been lost, in unknown amounts, to parallel markets. Disaster was accomplished with almost total complacency (Greenwells excepted). It is quite possible to believe that the present targets for monetary expansion are rather too high, or the rules a bit too lax; but a return of the insouciance of the Barber era is surely unthinkable.

However, one point remains to be faced. Mr. Healey may be planning to mend his ways (and we will come to the question of whether he is to be believed); but the sin he has to redeem is much bigger than Mr. Barber's. His propensity to spend above his income is twice as great, measured against GDP; and this would suggest at first sight that his problem is twice as great. However, one must look behind the totals (as Greenwells do, I should add with all haste).

Mr. Barber got into deficit by allowing public expenditure to rise (its growth accelerated *throughout his period of office*), while cutting personal taxation: personal disposable income rose by nearly 7 per cent. in 1972, and six per cent. in 1973, and real consumer spending by 5½ and 4½ per cent. in those two years. This consumer boom drove companies to borrow, to finance expansion, as well as sucking in imports.

This time round the tax cuts are in favour of companies, through stock appreciation relief; growth is being led by exports, which also generate company income. Real personal disposable income is falling at the moment, and is likelier to fall than rise next year; any rise in consumer spending financed by reduced saving (or increased borrowing) is likely to be modest and tentative.

The financial implications of this total change in the sector pattern are profound. Company cash flow is improving sharply, but the corresponding spending on capital investment (the big generator of domestic demand) is likely to follow only after a considerable time lag. If companies choose to stockpile raw materials, the main impact will be on the balance of payments, leaving the Government's domestic borrowing unchanged.

A mirror

This last point reflects, mirror-fashion, the Greenwell argument that what appears good news for the economy may be bad news in a monetary sense. A big transfer of income to companies may prove to incur a bigger risk for the balance of payments than for the money supply this year—though next year, as investment returns to a more normal level, the picture could be very different.

Finally, it should be noted that from next year it is not only planned that the public sector deficit should be cut, but that debt interest will account for a rapidly rising proportion of what remains. How far borrowing to pay debt interest is "permissible" is still a subject of heated, and highly technical debate; borrowing at fixed interest during rapid inflation befuddles judgment both of policy and numbers. However, everyone seems agreed that payments of debt interest are less worrying in their implications than other forms of public spending; therefore the turn-round *planned next year is bigger than* the figures suggest.

It must be stressed that the arguments in this article, so far as they are valid, do not so much refute the Greenwell warnings as push them somewhat further into the future. Some correction may well be required this year, but it does not seem to me likely that it will need to be of the drastic kind implied by the monetarist arguments; but next year the turn-round really will have to be large. Otherwise, a crunch in the second-half of 1977 will be virtually inevitable.

It is crucial, then, to judge how far Mr. Healey's promises of amendment are to be believed. That there will be accidents, and calls on the Government's contingency reserve, cannot be doubted; but everyone close to public spending seems to confirm that there has been a real and profound change in the atmosphere—that the cuts are meant to stick, and that departmental administrators now count their triumphs in economies achieved rather than larger budgets won. This is no doubt too rosy a picture, but there is another suspicion in favour of hope: that the Budget *figures really are on the* cautious side this time. The revenue projections look rather too low, and the debt interest estimates too high, to be consistent. It will not be altogether surprising if the authorities are trying to restore their shattered reputation for management competence by providing themselves with a safety margin in the estimates. But one thing is clear: the estimates must be achieved or bettered, and monetary restraint imposed, if we are to escape the Greenwell doom. There is no further room for error.

Letters to the Editor

Overtime and unemployment

From Professor A. Sykes

Sir,—Mr. Jack Jones has produced a master plan for ending unemployment by reducing the working week from 40 to 35 hours. The latest figures available from the Department of Employment, those for the week ending January 10, 1976, show that of all operatives employed in manufacturing industries 27.5 per cent. worked overtime, averaging 7.8 hours each for the week. In some industries the figure is much greater: in mechanical engineering 33.9 per cent. of the operatives averaged 7.3 hours; in shipbuilding 34.3 per cent of the operatives averaged 9.4 hours. And, in a section of the over-manned steel industry, "Other iron and steel," 40.7 per cent. of the operatives averaged 8.3 hours overtime.

Since the war the working week has been reduced—in theory—from 48 to 40 hours, and each reduction has been followed by an increase in overtime working. An irreversible reduction from 40 to 35 hours would presumably be accompanied by a further increase in overtime. This would add substantially to the costs of British industry even if the reduction in hours meant an equivalent reduction in weekly earnings—a point on which Mr. Jones is suspiciously silent.

Is Mr. Jones trying to end unemployment or to defeat the pay policy? May I suggest that a trade union campaign to reduce overtime to the level of our trade rivals might help the unemployment situation in more ways than one.

A. J. M. Sykes,
Department of Sociology,
University of Strathclyde.
Livingstone Tower,
26, Richmond Street, Glasgow.

Railway outlook

From The Editor,
Railway Gazette International

Sir,—Your comment (April 14) on the Government's transport policy document concludes that our railways should carry even less passengers and freight than they do now in the interests of economy.

Quite apart from environmental implications, this does not even make economic sense. For the Government now accepts that low productivity lies at the root of BR's financial woes, and a run-down in rail traffic can *only make productivity even* worse in a situation where it appears almost impossible to make staff redundant. Strike action to stop London commuters getting to work is still an effective weapon which the rail unions will not hesitate to use if management attempts the near-impossible task of increasing productivity in a declining industry.

If railways were technically obsolete, a policy of run-down *would still be justified because* the financial drain on the Treasury would have to be stemmed eventually whatever the terminal cost. But reference to the policy document to much higher levels of productivity achieved on similar-sized railways overseas suggests otherwise. If, by some miracle, BR was to achieve French or Dutch levels of productivity overnight the present 230,000 railmen would become 130,000 and the freight business at least would be highly profitable.

This is, indeed, a pipedream. But the possibility of achieving a similar result over five years by doubling freight revenue is not, since capture of only 15 per cent. of the 300m. tons now *moved over 60 miles by lorry* each year would be sufficient. Such a result could be achieved by a second-generation Freightliner system offering overnight transit between any pair of, say, 300 terminals provided the mechanics of a much cheaper road/rail transfer system and intermediate rail/rail container sorting arrangements can be worked out along the lines proposed earlier this year by BR's *own research department.*

Present rail movement costs and delays inherent in traditional manning agreements would make such a scheme quite unworkable, both on cost and service quality grounds. The Government is right in saying that our railways—as they exist now—cannot compete for more freight. In theory, however, we could do even better than the Dutch or French because—being *on an island—we are free to* adapt rail technology relatively quickly.

So the problem for BR's new chairman is this. The unions have said they will talk turkey on productivity given more investment in rail and no redundancies: there is no prospect of getting more investment without demonstrating to Government that more revenue will be earned; and this cannot be *proved until major productivity* gains have actually been negotiated. If, however, Peter Parker can break into this magic circle the redundancy problem is half-way to being solved.

To adopt deliberately the course you advocate would bring severe problems in the shape of strikes, even higher deficits, and deteriorating service to the point wher the national rail network as such disintegrated—an end *result which, in practice, few* people seem to consider desirable.

Richard Hope.
Dorset House,
Stamford Street, S.E.1.

Investment Trusts

From Mr. Jo Grimond, MP.

Sir,—I believe that investment trusts are standing 20 per cent. and even 30 per cent. below their asset value. Over the last 70 years or so these trusts have done their stockholders proud. But is their day waning? I hope not. It would seem now, however, that it would be to the advantage of their shareholders to wind them up or change their nature.

One well-known Scottish Trust announces that it intends to *reduce its dividends. This may* suit its rich shareholders but is hardly an encouragement for the small investor whom we need and to whom trusts of one sort or another should be of particular value. In times of raging inflation this seems a disheartening decision. I wonder if the directors of this trust, apparently so disdainful of income, are going to reduce their fees?

There is always a tendency for inertia and vested interests to *resist change.* I hope that someone can make a better case for continuing investment trusts in their present form than the suggestion that something will turn up.

J. Grimond.
House of Commons, S.W.1.

Cinema scope

From Mr. G. Crawshay.

Sir, — It is so true what Nigel Andrews says (April 9) about the "asinine commercial fodder" exhibited in Britain's provincial and suburban cinemas.

It has never ceased to make me seethe with anger and frus*tration, particularly as I feel* sure that this in some part is responsible for falling attendance figures. Whenever I tackle anyone remotely connected with the industry about this they come out with the old bromide of "having tried more original stuff but not drawing enough people," or variations on that theme interlarded with market research jargon, much of which sounds secondhand.

I think the provincial cinema in this country has committed slow suicide through lack of courage, enterprise and energy. They have had a marvellous chance recently when, as you point out, many have split into two or three mini-cinemas. When this happened I really thought there could be a great revival of interest. I envisaged a policy whereby screen 1 would be for new releases, screen 2 for popular revivals, and screen 3 for the more "arty" product or foreign films.

But what is the result? A mishmash of stale old releases, tired western or horror films of an almost incredible banality and lack of imagination. Is it any wonder that sometimes the projectionist must marvel at the waste of his time, showing a film to an empty house?

G. C. Crawshay.
"Mirasur," Nightingale Road,
East Horsley, Surrey.

African wages

From Mr. B. Vashee

Sir,—Mrs. Lipton (April 14 and 15) allows her enthusiasm for "constructive engagement," whatever that may be, to lead her *into* a number of quite unwarranted conclusions. In her letter, for example, she includes figures for disposable income which appear to show that the gap between Black and White, in this area, is decreasing. She does this, however, by assuming static population throughout. If we rework the figures using the real population changes over the period, we find that in the 10 years 1964-65 to 1974-75 the actual change per head was from 10.94 to 1 to 10.93 to 1. At that rate it will take over 10,000 years for Black and White to achieve parity.

This leads to the further observation that if Mrs. Lipton's figures for the industrial, commercial and Government sectors are correct, then the gap between White and Black in other areas —where 70 per cent. of Black labour was employed—must have been actually increasing. Particularly if one considers that the top 30 per cent. of Black workers must share some 70 per cent. of the total wages.

Mrs. Lipton makes much of the "real" increase in Black wages, although admitting that these have been deflated by the general cost of living index. In the period from June, 1973 to 1975, however, food, which accounts for the bulk of Black expenditure increased in price by 37.1 per cent. compared to a 26.6 per cent. increase in the general cost of living. Indeed, only taxation, which for Blacks increased by 75 per cent. over the same period, showed a more massive jump.

Perhaps the central point to be made, however, is not just that Mrs. Lipton's figures are argued from tiny statistical bases (for example, Black employment in commerce which accounts for less than 0.1 per cent. of the Black population) or irrelevant to the large majority of the Black people, but that to argue from percentages at all, is totally misleading in the context of the massive poverty of Blacks and the enormous affluence of Whites. When the gap in incomes is as large as 11 to 1 *it is basic arithmetic to see that* even if Black incomes are increasing 10 times as rapidly in percentage terms as White incomes, the monetary gap is still widening.

Basker Vashee.
Counter Information Services.
9, Poland Street, W.1.

Constructive discussion

From The Chairman,
Christian Concern for
Southern Africa

Sir,—The note at the bottom of Merle Lipton's article (April 14) gives a somewhat misleading impression of the nature of the forthcoming Christian Concern for Southern Africa publication, South Africa: Constructive Engagement or Total Disengagement? Mrs. Lipton's Paper, on which your article was based, is but one of the views expressed in the report. A different perspective is presented by Abdul Minty, Hon. Secretary of the Anti-Apartheid Movement, in his Paper on the case for the total disengagement from South Africa.

Neither Paper necessarily represents the view of CCSA but they are offered as contributions to the growing debate on this important issue. We hope that businessmen and others will read this report with an open mind and that it will prove a constructive contribution to discussion. The report is to be published next month.

T. B. Jepson.
1, Cambridge Terrace,
Regents Park, N.W.1.

Pension schemes

From Mr. A. Linfoot

Sir,—The closing sentence of Mr. Nottage's letter (April 14) moves me to comment on the theme to which he again returns. He writes: "Does Britain really need to gamble so much . . .?" that is by funding pensions. But can Mr. Nottage really believe that it is a lesser gamble to assume that we can pay all our pensions from current income, when *we have* an increasing number of retired people; a decreasing proportion of people of working age; a decreasing level of real wealth; and no abatement of competing demands for current resources?

Comparison with Germany, or other European countries which do not fund pensions, would be significant only if there were not other major economic differences. In any case, it remains to be seen how far *unfunded pensions in those* countries too will be able to survive substantial demographic changes.

Of course adequate funding is impossible during a time of high inflation, and it is then to the advantage of an individual, or group, to ride upon the providence of the rest of the community. Does the Director-General of the Royal Institute of Public Administration need to be reminded that not everyone can do so?

Perhaps he would maintain that investment foregone by pension schemes would necessarily be fully replaced by other investment. Unless this were so —and it is hardly self evident— it can surely only improve the possibility of the community's being able to feed, clothe and house its future pensioners if a proportion of current income, bearing at least some relation to future needs, is reserved from immediate consumption and devoted to increasing the community's capacity for producing wealth in the future.

A. D. Linfoot.
1, Mount Road,
Canterbury, Kent.

To-day's Events

GENERAL

Provisional unemployment figures for April issued.

Ministers and representatives of OPEC member-countries *expected to hold informal talks* on oil price differentials, Geneva.

Scottish TUC, Perth.

European Trade Union Confederation Congress opens, London.

Mr. Roy Hattersley, Minister of State, Foreign Affairs, ends three-day visit to Oslo as guest of Norwegian Government.

Foreign Press Association lunch for Sir Geoffrey Howe, "shadow" Chancellor of the *Exchequer, 11, Carlton House* Terrace, S.W.1.

National Union of Teachers conference, Scarborough.

OFFICIAL STATISTICS

New vehicle registrations (March). Car and commercial vehicle production (March—final). Fourth quarter statistics for appropriation account of companies; net acquisition of financial assets—analysis by sector; and financial accounts of industrial and commercial company and personal sectors.

COMPANY RESULTS

BSG International (full year). Cadbury Schweppes (full year). Clive Discount Holdings (full year). Leslie and Godwin (Holdings) (full year). Minet Holdings (full year). Vickers (full year).

COMPANY MEETINGS

Allen Harvey and Ross, 45, Cornhill, E.C., 12.30. Blagden and Noakes, Connaught Rooms, W.C., 12. British Mohair Spinners, Bradford, 12. Hall Engineering, Dorchester Hotel, W., 12. "Investing in Success Equities," Regis House, E.C., 10.45. Norfolk Capital, Norfolk Hotel, S.W., 10.30. Rolls-Royce Motors, Churchill Hotel, W., 12. Stone-Platt, Grosvenor House, W., 12. Wodehouse and Rixson, Sheffield, 11.45.

OPERA

Royal Opera performances of Il Tabarro, and Gianni Schicchi, by Puccini, Royal Opera House, W.C.2, 7.30 p.m.

BALLET

London Festival Ballet: Elisabetta Terabust and Patrice Bart dance Swan Lake, Coliseum Theatre, W.C.2, 7.30 p.m.

MUSIC

London Philharmonic Orchestra, conductor Carlo Maria Giulini, with Janet Baker (mezzo-soprano) perform Weber (overture: De Freischutz), Mahler (Kindertotenlieder) and Dvorak (symphony No. 7 in D minor), Royal Festival Hall, S.E.1, 8 p.m.

Eric Hope gives piano recital of works by Beethoven and Chopin, Queen Elizabeth Hall, S.E.1, 7.45 p.m.

SPORT

Lawn tennis: Norwich tournament. Snooker: Final of world professional championship, Manchester.

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COMPANY NEWS + COMMENT

Bestobell pushes ahead to £5.7m.

ENGINEERING and chemical products group *Bestobell reports* pre-tax profits up from £4.86m. to £5.67m. in 1975, following a first-half rise from £2.4m. to £2.98m.

Sales expanded by almost £10m. to £63m. Profits attributable to *Ordinary holders emerge* at £2.76m. compared with £2.19m.; and earnings per 25p share are stated to be ahead from 21.3p to 22.9p.

The dividend, on capital increased by the rights issue last *year, is raised by the maximum* permitted—from 7.00p to 7.68p net, with a final of 4.74p.

The accounts for 1975 show extraordinary net losses of £330,000 (£228,000 profits)—these include an exchange profit on balances brought *forward of* £241,000 (£226,000), provision for loss of Portuguese net assets £473,000 (nil), and exchange loss of £133,000 on loan repayment (nil).

	1975 £000	1974 £000
Group sales	63,008	53,053
Profit before tax	5,671	4,863
U.K. tax	1,012	1,207
Foreign tax	1,712	1,351
Net profit	2,947	2,305
Minority	168	93
Preference dividend	15	15
Attributable to Ordinary	2,764	2,197
Ordinary dividends	999	677

● comment

Bestobell's overseas interests continued to make all the running in the second half of 1975 and a 17 per cent. gain in annual pre-tax profits reflects an increase in *the non-U.K. contribution from 33* per cent. to 63 per cent. U.K. profits were slightly lower due to losses incurred because of a breakdown in the paint distribution-service. The problems here have now been corrected and U.K. sales volume generally is beginning to *pick up. However, the overseas* outlook this year is less encouraging. Profits here — which are six months ahead of the U.K.'s — are already show*ing a significant reduction, so the* group will find it difficult to avoid a drop in the overall pre-tax level for 1976. On the plus side though, the shares at 168p are yielding 7 per cent., roughly 1½ points above the industrial average and may also derive some support from the improved liquidity position. Following last year's rights issue borrowings have been reduced from £5½m. to £3.4m. net (including loan stock) and this *leaves the group well placed to* continue its policy of expansion through small acquisitions.

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Sharp drop by Hawker Marris

Turnover of tableware manufacturers, Hawker Marris increased from £1.94m. to £2.51m. during *1975 but profit dropped sharply* from £173,250 to £67,706, subject to tax of £38,600 (£77,119). In the first half profit was down from £63,084 to £29,372.

Earnings per 25p share are shown to be down from 19.4p to 3.9p at year-end and the final dividend is *3.84p net, making a total of 5.32p,* compared with 4.99p.

Mr. R. N. Wadsworth, chairman, states that the home and export order book has remained very *buoyant in spite of the general* recession in world trade and this continues to be the case.

Sales in the first quarter of 1976 were as much as 42½ per cent *above the same period of 1975 and* the directors are confident that the successful and continuous record of growth of previous years will be resumed.

Edward Le Bas advance

PROFITS before tax of Edward Le Bas rose sharply from £511,001 to £954,607 in the year ended December 27, 1975, following the increase from £271,000 to *£368,000 in the first six months.*

In their interim report, the directors said that export companies in the group had excellent order books and those in the home market were obtaining a reasonable level of orders. Profits for the year were expected to show some *increase over those for the pre*vious year.

Stated earnings per 25p share were up from 9.87p to 19.75p and a net final dividend of 0.74p makes *a maximum permitted total of* 1.478p compared with 1.365p previously.

Edward Le Bas is a subsidiary of Le Bas Investment Trust. Its divisions trade in foundation and construction equipment, safety and relief valves, electrical vehicles, *foundry supplies, agricultural* engineering and system building.

	Year 1975 £	Year 1974 £
Turnover	12,876,357	12,042,827
Profit before tax	954,607	511,001
Assoc. share	—	11,038
Tax	341,329	255,717
Assoc. tax	—	8,100
Attributable	427,767	241,401
Extra-ord. debits	21,358	19,200

Manders tops £2m. for record

AFTER A £50,000 mid-term advance to £956,000, pre-tax profits of Manders (Holdings) finished 1975 £353,712 ahead at a record £2.07m.

Increased profits were turned in *by the U.K. paint and printing ink* companies at £1.41m. (£1.11m.) and the overseas printing ink companies at £428,032 (£350,903) but a decline from £252,116 to *£223,942 was reported by the U.K.* property company.

The final dividend per 25p share is 1.529p net raising the total from 1.896p to a maximum per*mitted 2.069p.*

	1975 £	1974 £
U.K. turnover	13,870,696	11,617,795
Overseas turnover	3,165,399	2,546,331
Profit before tax	2,066,413	1,312,701
U.K. Paint, etc.	1,414,419	1,109,682
Overseas, etc.	428,052	350,903
U.K. property	223,942	252,116
Tax	1,006,656	671,993
Net profit	1,059,757	560,709
Minorities	68,576	55,532
Attributable	991,181	505,176
Pref. div.	27,498	27,498
Ord. interim	78,246	71,001
Final	221,586	205,694
Retained	663,851	502,985

● comment

Price increases at mid-year plus increased market penetration helped Manders (Holdings) to end 1975 with a 20 per cent. rise in *profits. This was some surprise* after the cautious interim statement in September; but there was a noticeable recovery in the trade in the fourth quarter, particularly in wallpapers. Prospects for 1976 will depend on further price rises to compensate for higher import costs as well as a recovery *in the* building sector, of which there is no strong evidence. So any strength in the shares may come not from the trading but from the *property side. With a major rent* review due in 1980, the property is probably worth over £3m. against a market capitalisation of £5.6m. Without rents, the p/e is 6.8 at 30p while on full profits it *is 8. The dividend yield is 8.5* per cent.

£0.41m. by Fairbairn Lawson

FOR THE year ended January 1, 1976, engineering group, Fairbairn Lawson reports pre-tax profits of £411,226 on turnover of £10.19m.

Due to a change in the year-end, comparative figures are for the *six months to January 2, 1975 and* show pre-tax profits of £127,929 on turnover of £4.06m.

Stated earnings per share for the year are 5.37p (1.86p for six *months)* and a net final dividend of 0.975p makes a total of 1.7875p absorbing £95,335 — *a* single 0.8125p was paid previously.

The directors say the year's results are in line with forecasts. Satisfactory development of the *company continues and future* profits will reflect this.

Proposals will be put to shareholders for the issue of 500,000 new Ordinary shares from the *existing unissued capital to Clabir* Europe at 40p a share. Clabir Corporation of the U.S., Clabir Europe's parent, will then hold more than 23 per cent. of the increased capital.

● comment

Compared with the 1973-74 year, Fairbairn Lawson's latest annual results show tremendous growth: trading profits are about doubled and, *at the pre-tax level,* the figures are three-and-a-half times higher. This reflects the reorganisation carried out following the Greenbat acquisition in 1973: the engineering division did well because of this and profits here more than offset the continued "*substantial*" losses at Flexiform; which has shown signs of improvement. Though current order books, are lower than the figure of £7m. a year ago, Lawson is *working at full capacity.* The shares rose 4½p to 38½p, following the results and issue to Clabir, where the p/e is 7 and the yield 7.3 per cent., covered three times.

British Midland turnround

A TURNROUND from a loss of £217,000 to a profit of £420,000 has *been achieved by British Midland* Airways for 1975. Turnover increased from £10.67m. to £14.82m.

No Ordinary dividend is recommended but all arrears on the con*vertible cumulative preference* shares, amounting to £200,949 were paid on December 31 last year.

The year's profit is struck after interest of £57,000 (£237,000) paid to the *parent company*—Minster Assets. Again there is no tax charge.

The chairman, Mr. A. R. McGibbon says that for 1976 there are some encouraging signs in both scheduled services and leasing divisions, but in a period of continuing high inflation, a satisfactory outcome can only be looked for from two sources—cutting internal costs and obtaining sufficient fare increases to offset outside costs.

The chairman describes the 1975 *result as easily the best ever and* was achieved in a year which was one of the most difficult ever experienced by the world's airline industries.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
Astbury & Madeley	0.63	June 8	0.57	0.94	0.87
Bestobell	4.74	May 29	4.31	7.68†	7.08
Peter Brotherhood ...int.	1.63	May 25	1.63	—(d)	3.69
Dalkeith (Ceylon)	0.2(a)	June 11	Nil	0.2	Nil
Danish Bacon	3.26	May 10	2.75	6.78	6.25
Delta Metal	2.27	June 11	2.27	4.09	4.09
Fairbairn Lawson	0.98	June 30	0.81	1.79	0.81(c)
Farm Feed Hldgs.	2.92	—	3.35	3.31	3.35
Gopeng Consold. ...1st int.	3.5	July 10	4.38	—	11
Hawker Marris	3.84	—	3.6	5.32	4.99
Norman Hay	0.97	June 10	0.84	1.67	1.54
Idris Hydraulic ...3rd int.	1.2	June 4	—	7.2	6.7
Lafarge	0.25	July 1	0.67	0.67	1.5
Edward Le Bas	0.74	—	0.66	1.48	1.37
Malayan Tin ...int.	4	June 15	4	—	10.73
Manders	1.53	June 8	1.41	2.07	1.9
Newman Granger ...int.	0.6	June 16	0.56	—	1.26
Root Harvesters	0.99†	July 1	0.99	1.67†	1.67
Southern Malayan Tin int.	4	June 15	4	—	10.73
Sun Life ...int.	1.39	July 1	1.34	—(b)	2.53
United Carriers	1.32	—	1.2	1.88	1.73
Wadham Stringer	0.72	June 26	0.65	1.24	1.19
Wight Construction	3.53	June 3	3.13	6.11	5.63

Dividends shown pence per share net except where otherwise stated.
* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. (a) For 13 months to *January 31, 1976.* (b) *Total 2.787p forecast.* (c) *For six months.* (d) Same again total forecast.

Wight achieves £0.5m.

PROFIT, before tax, up from £0.45m. to a record £0.5m. for the year to January 31, 1976 is *announced by Wight Construc*tion Holdings which, say the directors, is now no longer "close." An improvement was forecast when first half figures up *from £206,000 to £211,000* were reported.

Dividend total is ahead from 3.625p to 6.105p with a final of 3.53p—stated earnings per 25p *share are 17.46p (17.03p).*

Net tangible assets amount to £934,000 (£769,000).

	1975-76 £	1974-75 £
Turnover	13,171,591	9,999,071
Trading profit	281,694	214,917
Investment income	220,348	234,641
Pre-tax profit	502,042	449,558
Tax	246,210	214,220
Net profit	231,832	235,338
Retained	165,072	180,451

Brown Bros. well placed

The chairman of Brown Brothers Corporation, Mr. E. G. Spearing, tells members that the group remains geared to strict *cost controls and efficient* use of working capital but is also poised to take full advantage of market opportunities.

Growth is targeted for, but the *immediate months* ahead will be a challenge, he says.

As reported on March 24, pre-tax profits last year rose from £1.17m. to £1.67m. with a net total dividend of 0.6p (0.5p).

Trends in the divisions of the motor sector were satisfactory. *The ICI automotive paints* distribution increased its sales and market share.

The Brown Brothers exporting company which works closely with V. A. Aff, *had an excellent year.* The last six months in the manufacting division continued the good progress made in the first half with a strong finish and sales and *profits* for the year improved significantly.

Dana Corporation of the U.S. holds 63.7 per cent. of the group's capital. Meeting, Great Eastern Hotel, E.C., May 19 at 11.30 a.m.

Increase at Wadham Stringer

PROFIT margins at Wadham Stringer exceeded the levels permitted by the Price Commission *and second-half pre-tax profit had* to be reduced from £850,000 to £750,000, leaving the year 1975 results up from £1,753,000 to £1,839,000.

Vehicles sold increased from 40,052 to 41,320, including a 25 per cent. increase to 17,714 used cars —group turnover expanded from £63.99m. to £78.95m.

The chairman, Mr. F. C. Stringer, says that because of the economic conditions, the commer*cial vehicle market declined, but* production of ambulances increased significantly, and at present there is a record order book.

And for the first three months of the current year, "trading is running on very similar lines to the previous year."

Stated earnings per 10p share are 2.89p (3.17p)—dividend total is up from 1.186p to 1.235p with a final of 0.715p.

● comment

Wadham Stringer attributes its 8 per cent. decline in second-half *pre-tax profits* to the need to clip profit margins to come within the Price Commission's limit, and the slowdown in sales growth to the inability of British Leyland to maintain a continuous flow of new cars. Admittedly, new car sales would have been down even if *Leyland could have maintained* supplies, but Wadham Stringer believes that it could have pushed pre-tax profits over £2m. if it could have obtained sufficient *new vehicles.* Used car sales remain buoyant, increasing in number by a quarter last year, and the overdraft is £1m. up to £4m. at the year-end as a result of *financing used car stocks.* This year the company is looking for an increase in new car sales and continued buoyancy *from used* cars, so it hopes to surpass £2m. pre-tax this time. Capitalised at £6m., Wadham Stringer's yield of 8.6 per cent. at 23p, is covered 2.3 times and the p/e is 7.7.

Croydex makes good start

Mr. G. A. Hammond, chairman of Croydex Company, says the current year has started well with *turnover* in excess of the comparable months last year and he believes that further progress will be made in 1976.

As reported on April 9 with a one-for-two scrip issue, pre-tax profits for 1975 rose from £515,847 to £672,038 with a net total dividend of 2.89478p (2.4876p).

Turnover increased from £3.9m. to £5m. The export subsidiary contributed 15 per cent. of sales.

The group makes and distributes *rubber and plastic household and* garden products.

Statement Page 26

RESULTS AND ACCOUNTS IN BRIEF

ARTHUR WOOD AND SON (LONGPORT) — earthenware manufacturers — Dividend 14.625 per cent. for 1975. Pre-tax profit £132,655 (£106,520) including investment income £10,726 (£15,891). Tax £68,257 (£56,026). Leaving £64,398 (£50,492). Earnings per 5p share 3.09p (2.39p).

W. H. BRAKSPEAR AND SONS (brewers, wine and spirit merchants)—Dividend for 1975, 19½ per cent. net (18 per *cent.). Turnover, £3.13m. (£2.31m.).* Profit £197,345 (£181,155) before tax, £98,166 (£88,938). Available, £120,314 (£94,396). Fixed assets, £1.33m. (£1.24m.). Current assets, £480,653 (£399,465) and liabilities £612,369 (£564,656). Meeting, Old White Hart, Henley-on-Thames, May 7 at 11.30 a.m.

CANADIAN AND FOREIGN INVESTMENT TRUST—Final 1.9125p, making 2.7p (2.4p) for year to March 31, 1976. Gross revenue £481,163 (£489,527). Earnings per share 2.97p (2.35p). Net asset value—prior charges at par—128p (95p) and prior charges at market value 133p (100p).

EAST SUSSEX ENGINEERING GROUP—Dividend 2.275p (0.96025p) net. External sales for 1975 £7,800,584 (£6,880,667). Pre-tax profit £897,595 (£693,639). Tax £467,871 (£358,502). Net profit £429,724 (£335,148). Minority profit £152 (£1,062). Available £429,572 (£334,086). Net earnings per Ordinary share 3.66p (2.85p).

ENGLISH ASSOCIATION OF AMERICAN BOND AND SHARE HOLDERS—*Results for 1975 reported* April 5. Total fixed assets £623,777 (£508,357). Current assets £343,366 (£331,715). Current liabilities £556,064 (£558,072). Chairman says that company's position should at least be maintained. Meeting, Winchester House, E.C., on May 12 at 12.15 p.m.

L. GARDNER AND SONS (diesel engine and ancillary equipment manufacturers)—Results for 1975 reported April 1. Group fixed assets £2.44m. (£2.38m.). Net current assets £5.64m. (£5.14m.). Meeting, *Manchester on May 13,* at 2.30 p.m.

H. J. HEINZ COMPANY—Fourth interim dividend 3.250p per share. Warrants *posted April 23, 1976.*

HOWARD AND WYNDHAM—Turnover six months to December 31, 1975, £6,206,228 (£4,044,286). *Trading profit* £293,796 (£196,454). Profit redemption 8½pc Loan stock £1,339 (£14,307). Interest charge £125,291 (£72,137), *reorganisation* expenses £32,500 (nil), tax £21,500 (£60,219), net profit £55,834 (£78,405). Net asset value per 20p share 42p (40p). Earnings per share before reorganisation expenses and tax 3.3p (2.9p) and after *reorganisation expenses and tax* 1.2p (1.6p). Increase in interest charges, largely because of a full six months *charge on obligations issued to acquire* the Warner Communications Inc. U.K. publishing business (four months). *Reorganisation expenses, occasioned by* the operational consolidation into the group of the businesses, assets and *personnel acquired in year ended* June 30, 1975. Also included are certain start-up costs of Star Paperback and *Leicester book services divisions.* Expected that additional such reorganisation expenses will be incurred in the second *half not in excess of £80,000.* Directors expect group net profit for the year will be reduced not only by reorganisation expenses, *but also by reason of* Ciro Holdings' trading loss, plus the interest payable on the loan stock issued in Ciro acquisition, *for the period from* acquisition date. While group's trading profit (excluding reorganisation expenses) *for the year will again show an increase* over the previous year, net profit after tax will be lower. It remains view that *holders' long term interests will be best* served by continuing the policy of asset building and investment and directors have decided not to recommend a dividend on the Ordinary and "A" Ordinary.

JOHNSON GROUP CLEANERS—Results for 1975 reported March 12. Group fixed assets £10.06m. (£10.41m.). Current assets £3.35m. (£2.36m.) and liabilities £2.55m. (£2.74m.). Chairman says growing rental businesses are planned to insulate group to some extent from variances in retail market. Group faces future with confidence. Meeting, Bootle, Lancs., May 12 at 2 p.m.

MONTAGUE BOSTON INVESTMENT TRUST—Results for year to January 31, 1976, reported April 13. Investments at market value £10.12m. (£6.53m.). Net current liabilities £5.36m. (£0.76m.). *Loans outstanding* $U.S.7.3m. at year-end. At March 21 Commercial Union Assurance Company held 11.9 per cent. of the *Ordinary. Meeting, 117, Old Broad Street* E.C., May 14, noon.

NORVIC SECURITIES (footwear)—Results for 1975 reported March 23. Fixed assets £0.91m. (£0.94m.). Net current assets £5.29m. (£5.19m.). Meeting, Great Eastern Hotel, E.C., May 12, noon.

JOHN C. PARKES AND SONS—Final dividend 6.5p per share net for 1975 (10p gross), *interim was 4p (same)* gross. Profit £33,431 (£4,009) before tax £17,238 (£2,309). Dividends £3,185 (same). Increase in retained earnings £13,008 (£1,432 decrease). Earnings per share 46.27p (4.86p).

PATANI PARA PLANTATIONS—Interim 0.335 *(same)* after six months to September 30, 1975. Last year's total 1,673.179p. Net proceeds £111,909 (£110,080). Other income £14,600 (£5,800). Total income £126,500 (£115,800). Profit £64,300 (£45,500) less replanting expenditure £12,500 (£12,600). Interim dividend £3,052 (£3,052). Profit was enhanced by closing out of forward contracts and by increase in divi*dends and other income receivable.*

W. J. REYNOLDS HOLDINGS (Ford main dealers)—Dividend 0.55125p net *(same) per 5p share for 1975.* Group turnover £8.2m. (£7.21m.). Profit before tax £53,150 (£139,874). Net profit £19,750 *(£69,449) after tax £33,400 (£90,425).* Preference dividends £5,230 (same). Ordinary £21,399 (same). Earnings per share 0.4p (1.7p).

RKT TEXTILES (subsidiary of Robert Kitchen Taylor)—Results year to September 30, 1975, already known. Group fixed assets £1.19m. (£1.22m.). Current assets £3.38m. (£4.16m.), liabilities £2.5m. (£3.21m.). Chairman says policy is to maintain development programmes. Meeting, 16-17, Berners Street W., May 12, at 2.30 p.m.

STOREY BROTHERS AND CO.—Results 1975 reported April 6, with chairman's observations on prospects. Group fixed assets £6.88m. (£6.99m.). Net current assets £5.58m. (£4.31m.). Meeting, Lancaster, May 14, at noon.

WATERVAL (RUSTENBURG) PLATINUM MINING COMPANY—U.K. currency equivalent of dividend No. 40 (already reported) is 1.61345p per share.

WINGATE INVESTMENTS—Gross rents receivable £260,000 (£393,800) for half-year to September 30, 1975. U.K. tax nil (same). Transfer relating to development properties £438,000 (£295,000). Net deficit £135,000 (£48,000). Net deficit per share 0.90p (0.33p). No interim dividend (same). Transfer relating to development properties *excludes interest of £139,000 relating* to certain development properties which will not be capitalised.

YUKON CONSOLIDATED GOLD—Results for 1975 already known. Investments $28.71m. ($29.38m.). Meeting, *Montreal, May 5.*

Utd. Carriers £(profit uplift

FROM HIGHER *turnover* of £10.98m. against £8.54m., taxable profit of United Carriers, which specialises in express parcel services, increased from £1.03m. to *£1.67m. during the year ended* January 31, 1976—in the first half profit was up from £259,000 to £863,000.

Earnings per 10p share at year-*end were 6.6p, compared with* 4.1p; dividends are up from 1.728p net to the maximum permitted 1.88355p, with a final of 1.3233p.

There is a tax charge of £861,846 (£527,608) and extraordinary credits of £11,136, against £21,551.

● comment

Although nearly doubled profits in the second half was partly due to a 10 per cent. increase in charges last August, United Carriers seems set on a growth path. Overall, a 62 per cent. pre-tax rise was achieved on a 28 per cent. turnover increase in spite of the low level of industrial activity. Currently, the upward trend continues although the present 20 per cent. surplus capacity awaits a *general pick up in the economy.* But meanwhile, increased business from North Sea activity has prompted work on the second phase of the new depot in Fife *ahead of schedule. Vehicle re*placement (after last year's 40 per cent. rise in depreciation to *£331,000) as well* on heavier vehic carrying capacity financed out of position having ened, *helped by* of the debtors from 2:1 last year on results to 37½ per cent. covered *p/e is 5.5.*

£0.5m for D Bacon

FOR THE year 1975, Danish Ba ports pre-tax pr *at £2.27m. on tur* compared with

After 32 week ing an advance £1.34m., the fir *expected the* for the remainde

Earnings for share are given the final dividen a 6.757p (£247

After tax of the net balance £0.82m. to £1.07

Statemen

ISSUE NEWS

Findhorn placing

The placing has been arranged with a number of institutions of £1.35m. of 17½ per cent. unsecured loan stock 1995 at par, and 300,000 Ordinary shares in Findhorn Finance at 135p a share. Total amount is payable in three instalments with the paying dates for the shares spread over the next three years.

Of the loan stock 50 per cent. is to be paid on the first date, May 3, 1976, and the remainder on the second, May 31, 1977.

Meanwhile, subject to Findhorn *holders' approval, the capital is to* be further increased to enable Tomatin Distillers to buy the extra shares needed to maintain its 40 per cent. stake in Findhorn.

Under this agreement Findhorn will acquire from Tomatin on May 3 certain containers costing a total £411,453 which now contain whisky already acquired by Findhorn. Th addition to the by Findhorn of stocks which a mature before Tomatin. The raised are relat *of this operatic*

RIGHTS

Saflex Intern raise £1.27m o for seven at 3 up as to 90. balance has premiums will entitled share G. Dew's righ on the basis 30p has been per cent. Th sold at a pre will be distr shareholders.

Statement to Shareholders by the Chairman of Tube Investments Ltd.

'We must never forget that it is industry which produces the wealth on which we live'

Lord Plowden

e past year has seen the world recession, the highest unemployment and the greatest falls below trend in output experienced by the developed n the post war period. This experience came rather late to employment tput in Britain, but its full force developed during the year. It is not ing, therefore, that it has been a difficult year, especially for our overseas s and for the Domestic Appliance Division at home.

these circumstances it is a highly creditable performance that our profits were £42.3m., but allowing for the higher rate of inflation these are lower than last year and insufficient to finance the investment we need in capital ent and working capital.

uring the thirteen years in which I have had the privilege of being your an there have been a number of changes which have been mentioned in ual reports but which I will try to summarise briefly.

tween 1963 and 1975, sales and profits both multiplied more than four- llowing for the fall in the value of money the growth was about 65% in ms. That represents a little more than 4% per annum, which compared e long term growth rate of the U.K. economy of rather less than 3% per suggests that T.I.'s growth has been satisfactory though not spectacular.

s of Inflation

wever, what has really distinguished the latter part of this period has e high rate of inflation, as we all know to our cost. In my 1971 statement I ed the work being done by the professional institutions to introduce a d practice on inflation accounting. Two years later, in 1973, we followed P procedure recommended by the profession in a supplement to our accounts. During the last year the Sandilands Committee has reported, e Government has accepted the broad lines of its recommendations. A ittee has been appointed to recommend the actual procedure to be ed by companies from 1978 onwards. There are some important differ- between the Sandilands recommendations and the CPP approach, ularly relating to the treatment of monetary and holding gains. This ittee has a difficult task ahead of it. Until all this has been resolved we ontinue to give the CPP information.

hatever arguments there may be about the way to account for inflation s no dispute that the real return on capital in manufacturing industry and i share of Gross Domestic Product represented by industrial profits have een declining steadily for many years and have now reached dangerously vels. The result is that industry is not generating enough profit to modern- equipment and to meet the increased demand for working capital which e particularly heavy as trade improves. The remedy lies with Government onduct of the economy and in its attitude towards profits expressed, for le, through price controls and taxation policy.

nsion of Overseas Trade

my recent statements, notably for the years 1972 and 1973, I gave some tion of how we had deliberately changed the balance of the Group from redominantly connected with capital goods to one where about half the t goes into or consists of consumer products.

During this period we have made tremendous efforts to increase our over- ales: these have gone up from 25% to 42% of total sales. This has been ved in two ways. First by increased exports, which have risen from 20% to of our U.K. output; and second by selective investment abroad, largely in rt of our U.K. operations. For example we have built local assembly plants cles, necessary in order to overcome tariff barriers, which assemble com- ts exported from this country. We have invested in stockists who handle f U.K. exports like steel tubes and in plants in heavily protected countries we can exploit our technical expertise.

Executive Committee

1963 T.I. was nearing the end of a period of major expansion, having ed in 1959, together with Reynolds Metals of U.S.A., the British nium Co. In 1960 Raleigh Industries joined the group, while the massive nent in the Park Gate Iron & Steel Co. was well under way. This rapid raised a number of problems of organisation. The main problems were lop a central structure which would give coherence to a diversified group, find the right balance between this and the necessary freedom of action individual concerns.

he main instruments were the formation of the Executive Committee in nd the strengthening of the divisional structure. I discussed the main ns of central management in my statement for 1973.

e have continued to refine the systems with which T.I. is managed. The alised nature of the Group has been maintained, with its emphasis on nanagement. At the same time financial disciplines have been improved rporate planning has been developed to ensure that investment and have fitted a broad strategy for the Group. Thus the acquisition and nent policy in the last few years has been concerned with logical and development into areas related to existing businesses. The policy of ing day-to-day management has enabled the Executive Committee to trate on the broader strategic issues and policies. The general effect of this there is a clear-cut chain of command and responsibility and at the same time a great deal of freedom for individual management within the general lines approved by the Division and if necessary by the Executive Committee.

Communication within T.I.

One of the ways in which we have tried to keep management informed about Group strategy and policies is through the annual Chairman's Conference for senior managers, at which there is a review of the progress and plans of the whole Group. This is supported by similar conferences at the divisional level. This policy has been a success and there is no doubt that it has developed a much greater sense of "belonging" than was evident twelve years ago.

Below senior and middle management level we have found, not surprisingly, that by far the greater number of people at all levels are predominantly interested in their individual place of work. It is a commonplace that industrial relations tend to be most difficult where there are large numbers employed at a single works or works complex, so that communication becomes difficult and more formal and the individual tends to feel that his contribution is less important and appreciated. This is a limiting factor which has not been sufficiently considered by industry in the past in decisions about the optimum scale of production. Our own policy has on the whole been to avoid large concentrations, and we invest and give employment on a variety of sites. This must, I feel sure, be a factor in our generally harmonious labour relations.

We have over a hundred companies or sites in the U.K. Half the sites have less than 250 employees, one quarter have 250 to 500 employees, of the rest all have less than 1500 except five which have less than 2500 and one which has about 6500.

On some of the larger sites the total numbers given above include more than one company with quite separate workforces and managements.

The Contribution of Private Enterprise

In my statement last year I spoke mainly of the difficulties caused by Government policy and of the attacks on management and the private sector. Since a government in the last resort depends on public opinion, business generally is slowly realising that it has got to win the battle for public opinion if it is to withstand the more obvious attacks from politicians. It is clear from public opinion surveys that there is a great deal of ignorance about the part played by private enterprise and by business profits in the growth and prosperity of the country. The business world itself must try to explain itself to its own employees. Last year we made available to all employees a special report on the year's results, the effect of inflation on the business and other features. This provided the background for individual operating companies to explain their business results and prospects to their employees. We have learnt much from this first effort and will produce this year a report taking account of what we learnt last year.

The Changing Business Environment

This brief survey of the changes in T.I. which have been directed primarily towards improving both its efficiency and its coherence, leads me to reflect on the general problem of adapting an organisation in a rapidly changing environment. I was compelled to think about this in a different context when Sir John Partridge and I were asked last year to look at the structure and policy of the CBI, which was just completing its tenth year of life. We heard a great deal of evidence. Our diagnosis was that the business environment had changed so rapidly in these ten years, in a way generally hostile to private enterprise, that the organisation of the CBI had not been able to make the necessary changes fast enough to enable it to develop its full potential in the different and more hostile environment.

In the business world, and in any organisation which has to struggle for survival, a high morale would almost certainly be regarded as the most valuable of all assets. This requires some form of commitment by the members, an identification with the organisation and with what it is seeking to do. Most people want to feel that they belong to or are associated with some organisation, be it tribe, village, club or firm; they want also to be appreciated. But identifying with something can only be achieved if, at least to the person concerned, that something has an identity. It is thus a real problem for management to decide on what gives a firm its identity and the extent to which it is possible and desirable to preserve this during periods of rapid change.

The Importance of Management

First of all we must never forget nor let our critics forget that it is industry which produces the wealth on which we all live. Efficient management is crucial to the success of industry in executing this task. Management should be encouraged not discouraged. The constant denigration of British industrial management that comes from politicians, trades union leaders, many people in the City and the media, must stop if the best young men and women are to go into industry or to remain if already there. As someone who has spent many years seeking young men and women to promote, I know how scarce they are in relation to the demand, which is very large and growing. Critics should realise that young management is mobile, that the Continent is only 21 miles away, that the young learn languages easily, that emigration for the skilled to the English-speaking world is easy and that salaries and employment conditions in public administration are attractive, particularly if industrial management is said to be something to be ashamed of. There is no doubt that discrimination over recent years against middle and higher salaries, and the consequent difficulty of giving adequate increments to middle management, have caused widespread dissatisfaction amongst these vitally important young men and women. There is a growing tendency among the best to think that emigration may be the only solution to their difficulties.

The Vital Role of Profits

In the private sector the first requirement for survival is profitability. This is often overlooked by Governments, by trade unions and by pressure groups concerned about social responsibility. It is however not only the condition of survival but, as anyone with business experience knows, it is an important factor in the morale of a business. This extends throughout the whole range of the staff. If a concern is doing badly there is the deadening effect of apprehension about the security of their jobs, but almost everyone thinks beyond this and wants to know that the product of his labours is wanted and appreciated by those who are going to buy it. A competitive business can only be successful when it meets this requirement, that is when its products are wanted by the public and are produced at least as efficiently as by its competitors.

This, the first requirement for survival and also for morale, confronts us with the fact that it will certainly require constant change. In every department it will be necessary to try to foresee and to adapt to changes in markets and in techniques; and at the same time to ensure that the best use is made of the staff themselves, not only by keeping them up-to-date with plant and equipment but also by a personnel policy which gives opportunities to those who can make use of them, tries to adapt the load to the shoulders on which it is to be placed, and sees that when this is done everyone carries his fair share according to his capacity. It is just as important to morale to recognise bad work as well as good.

But for many people, although they want their organisation to survive and to be successful, change is unwelcome. This reaches its extreme form when it is necessary to close down an operation altogether or to transfer it to a different place. It is also a constant problem for management in making the changes involved in almost all improvements in technique. The natural dislike of having to learn to do something in a different way is reinforced by fears of redundancy or by resentment that someone else may be given a job which you have come to think is your own property. Demarcation disputes, which seem so silly to people not directly concerned with industry, are nevertheless grounded in something fundamental in all of us, which we would all reveal if faced with the need to surrender something we have come to regard as our own.

Survival Means Change

This is the essence of the problem: how to reconcile the necessity for change as a condition of survival with the adverse effects on morale of changes which will affect some individuals in a way they do not like. This is the way in which what is in fact a general problem affects the individual firm. It is the same for the community as a whole; changes which are beneficial to the community may nevertheless have effects which are harmful, or regarded as harmful, to some members of the community.

A business firm is in the last analysis a group of individuals all of whom can be removed or leave, and indeed all inevitably disappear by retirement if they survive earlier hazards. Nevertheless it is a living organisation which must be able to change without losing the identity it has established.

In this context it seems to me that for the individual firm two things stand out:

First, to accept that adequate profits are the condition of survival and that profit and loss are the basic indicators of where changes are needed.

Second, that to get changes accepted without upheaval and strife one must be and also have the image of being a good employer. This requires something more than good pay and pensions, conditions of work, modern plant, training schemes and so on, necessary as all these conditions are. It also requires the understanding that men and women want a greater say in what affects their daily working lives. They wish to be consulted.

This entails recognition both by the employer and by employees that they must have, and accept that they have, greater responsibility, not only for their working conditions but for the performance of the firm or the group. For on this performance rests both the job itself and the conditions which a good employer can afford.

We are only at the beginning of this stage in industrial relations and will have to find out by trial and error how best to develop it. The direction and development must be determined by the genuine needs of the firm and its employees. It must strengthen the involvement of people with their jobs and with the fortunes of the business in which they work. The essence of an effective system of participation must be that all those whose interests it exists to serve are involved from the outset in building it up and making it work.

Employee directors are another matter. The trade unions are divided on this; some unions want them and some do not. The appointment of employee representatives to the board of even a relatively small company could not in itself achieve realistic involvement or representation of the bulk of its employees. In any event I doubt if there is a single pattern of worker representation which could be applied to all industries. The more important and more difficult task is to develop participation at the operating levels, where most decisions affecting employees most directly are taken.

TI Group

Divisional Results

	External Sales 1975 £'000	External Sales 1974 £'000	Profit before loan Interest Payable 1975 £'000	Profit before loan Interest Payable 1974 £'000
sion				
Tube	204,697	166,987	25,129	20,353
e	86,901	76,854	3,957	4,298
sumer Finance	3,130	2,417	1,211	773
estic Appliance	103,256	63,966	3,602	1,075
neering	51,882	45,560	2,901	3,563
hine	44,533	35,546	2,538	1,569
strial Electrical	14,306	14,290	547	881
West Simplex GE	22,467	16,019	1,399	1,819
seas	87,998	80,804	6,689	9,537
nt company and her companies	—	—	286	732
	£618,768	£502,453	48,759	44,388
Group: ortion of profit before tax utable to Tube Investments			773	2,909
			£49,532	£47,297

In his statement, Lord Plowden refers to his pending retirement as Chairman of T.I. and pays a tribute to the staff and to the shareholders

The time has come for me to retire from the Board of your company, which I will do after the Annual General Meeting. Mr. Kellett, who has been Deputy Chairman and Chief Executive since the middle of 1974, will become Chairman. Mr. Bagnall will become a Deputy Chairman. They, together with Mr. Barnsley, will continue as group managing directors. The title Chief Executive will be discontinued.

For almost the whole of my time as Chairman I have worked closely with Mr. Kellett. His clarity of mind, determination and strength of character have made a major contribution to the evolution of Group policy and to the organisation which we now have. My debt and that of the whole Group to him is very great. It is with confidence that I see him take over the chairmanship.

It was with great regret that we accepted Sir James Menter's decision to give up full time executive duties to become Principal of Queen Mary College in the autumn of this year. We are happy that he has agreed to remain a non-executive director of your company. During the 22 years he has been with the Group, 11 years of these as Director of Research and Development, he has made an outstanding contribution not only to our R & D effort but also to the general management of the Group. The balance we have achieved between central research at the Hinxton group laboratories and the divisions together with the integration of R & D with business plans were largely due to his inspiration. They have made and continue to make a major contribution to the development of the Group's business. We are deeply grateful to him.

Mr. G. E. D. Halahan retires in April, after a lifetime of service in the steel industry. He came to Round Oak in 1960 and later, as Managing Director of the T.I. Iron and Steel Division, joined the T.I. Board. He left the Board in 1967 to become Managing Director of Round Oak Steel Works, which is jointly owned by T.I. and The British Steel Corporation. Our best thanks are due to him for all that he has done to ensure the profitability of this company which is the principal source of high quality steel billets for our seamless tube business.

It is customary in the annual reports of almost all companies to pay a tribute to the staff, so customary that it must often seem something of a formality. At the end of my time as your chairman, I want to pay my own tribute to the Board, to management, to everyone in our offices and on our shop floors, for the support they have given to T.I. and to me personally during this period. From my frequent visits, I think I can say that I know every company and practically every works, and a good number of the men and women in them. With very few exceptions, I have found everywhere not only a genuine interest but people only too anxious to understand what is going on and what has to be done, if they are given a chance. May I express my thanks and my good wishes to them all, and my confidence that we have the people and the goodwill to make a success of the fuller degree of participation on which industry and T.I. must now embark.

Finally, may I say a few words to you, the shareholders. Your support is essential and it is an enormous help to know that we can count on it as shown by your response to the rights issue in 1975. I am grateful especially to the large number of you who go on holding your shares through good times and bad, and who are a living proof that your company has an identity and can command something which I can only call loyalty.

TI Group

Summary of Results

	1975 £'000	1974 £'000
External Sales	618,768	502,453
Trading Profit	50,904	45,699
Profit before Tax	42,337	41,055
Taxation	21,793	21,185
Earnings for the Year	19,136	18,256
Earnings per Share (Basic)	44.2p	47.1p
No. of Employees in the UK	55,000	53,000
No. of Shareholders	47,500	47,500

Delta falls £14.8m. but recovery seen this year

REFLECTING THE severity of the recession in sectors where the group operates, profit, before tax, of the Delta Metal Company fell from £26.4m. to £11.6m. in 1975, on sales down from £399.8m. to £339.43m. An appreciable recovery in the current year's result is foreshadowed.

Inflation adjusted accounts are included in the annual report and these show that on a CCA basis the 1975 profit would be reduced to only £0.52m. (£16.33m.). The directors believe that Delta is one of the first large companies to include full CCA accounts in an annual report.

Referring to the results the chairman Viscount Caldecote says that depth of the recession was underestimated and the resultant fall in demand continued until the last quarter of 1975. This necessitated short time working and substantial redundancies which inevitably caused some temporary fall in productivity.

However, the group was able to carry through some major rationalisation programmes in the U.K. divisions and the resulting cost reductions together with the ability to respond more rapidly to an upturn in demand are already apparent, says the chairman.

In accordance with SSAP No. 6 the group has shown as an extraordinary item the rationalisation and redundancy charges incurred on the major U.K. rationalisation programme. This excludes from pre-tax profits charges totalling £1.6m. In the interim figures rationalisation expenditure of £450,000 was charged against profits, so the £11.6m. for the year was earned as to £4.5m. in the first half and £7.1m. in the second.

"Thus in spite of a considerable improvement in the second half, these were very disappointing results and earnings per share fell from 8.3p to 2.9p," declares Lord Caldecote.

Despite this earnings fall, the company has been strengthened by the rights issue which enabled the capital expansion programme to continue. During the year bank overdrafts fell by £23m. of which some £12m. was due to the rights issue. The balance of the reduction was partly due to lower activity and partly to very stringent cash control procedures, which have been further strengthened, members are told.

The net dividend for 1975 is unchanged at 4.09p net, with a final of 2.27p.

Turning to the current year the chairman says that he is confident that the action taken in 1975 will contribute towards the group's objectives. Rationalisation of production coupled with reduction in numbers employed and the installation of new plant, have certainly improved productivity and made Delta more competitive.

This will help the group to obtain new orders both at home and overseas. But despite every effort to raise sales and some small signs of improvement, in general demand for products remains sluggish.

Lord Caldecote stresses that a relatively small upturn in demand will make a big improvement in profits subject to Price Commission constraints. He expects that sales will increase in the second half of the year and an improvement is forecast for the overseas companies. As a result it is expected that the year's pre-tax profits will be appreciably higher than those of 1975.

	1975 £m.	1974 £m
Sales	339.43	399.91
Trading profit	17.37	31.38
Share of associate	2.52	2.41
Profit before interest	20.09	35.78
Net interest paid	8.46	9.44
Profit before tax	11.63	26.35
Taxation	5.67	13.24
Net profit	5.96	13.11
Minorities	2.32	3.42
Preference dividends	0.10	0.10
Attributable	3.64	9.58
Ordinary dividends	5.37	4.62
Metal account—profit	2.74	*8.22
Less tax	1.44	†4.67
To metal price reserve	1.30	‡4.55
Extraordinary items	1.77	1.26
From reserves	3.50	§3.70

* Loss. † Tax relief. ‡ From metal price reserve. § To reserves.

Capital expenditure during 1975 amounted to £16.38m. (£18.84m.). At the year end outstanding expenditure totalled £10.14m. (£12.56m.)—committed £5.86m. (£7.5m.) and uncommitted £4.28m. (£5.06m.).

During the year there was a net inflow of liquid funds of £13.24m. (£20.23m. outflow). At the year end long-term borrowings stood at £29.28m. (£29.49m.) and short-term borrowings at £36.4m. (£50.29m.).

See Lex

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available whether dividends concerned are interims or finals and the sub-divisions shown below are based mainly on last year's timetable.

TO-DAY

Interims: British Assets Trust, Golden Hope Plantations, Martonair International, Pahang Consolidated, Second Scottish Investment Trust, Slimma.

Finals: Aquascutum, B.S.G. International, Cadbury Schweppes, Dale Electric International, Ellis and Goldstein, Embankment Trust, Farnell Electronics, General Investors and Trustees, G.H.P. Group, Home Charm, Leslie and Godwin, Lyle Shipping, Thomas Marshall and Co. (Loxley), Miner Holdings, John Mowlem, Francis Shaw, Siemssen Hunter, Vickers, Wilson (Connolly), Witan Industries, Winston Estates.

FUTURE DATES

Interims—	
Medminster	Apr. 29
Simpson (S.)	*Apr. 29
Finals—	
Boots	May 20
British Vending Industries	Apr. 27
Cameron (J. W.)	Apr. 30
Camrex	Apr. 26
De Vere Hotels and Restaurants	Apr. 30
MacFarlane Group (Clansman)	*Apr. 26
Municipal Properties	Apr. 26
Perry (Harold) Motors	Apr. 29
Royco	Apr. 23
Silentnight	Apr. 27
Tebbitt	Apr. 30

* Amended.

SUN LIFE DIVIDEND

Sun Life Assurance Society is raising its interim dividend from 1.3333p to 1.3933p net and the directors anticipate a similar second payment for 1976, making a total of 2.787p, against 2.5337p.

N. Hay second half standstill

MARGINALLY LOWER second half profits—of £156,000 compared with £163,000—are reported by Norman Hay, electro-plating engineers, leaving the total for 1975 just £21,000 ahead at £344,000.

Earnings per 10p share are stated to be up from 3.7p to 4.1p; and the dividend is raised from 1.5375p to 1.6682p net, with a final of 0.9682. Mr. Norman Hay has waived dividends due to him for the year on 614,034 shares.

	1975 £000	1974 £000
Turnover	2,135	1,923
Profit before tax	344	323
Taxation	181	173
Net profit	163	150
Dividends	57	52
Leaving	106	98

Notes

U.K. corporation tax payable is £168,000 (£169,000) and transfer to deferred taxation is £13,000 (£4,000).

Molins sees further progress

WITH THE continuing improvement in design and performance of products and increased efficiency of manufacturing operations, the directors of Molins, privately-owned precision engineers, are confident of "further progress" if world economic conditions permit.

As reported April 8, pre-tax profit advanced from £6.91m. to £8.1m. during 1975 and earnings per share were 146p (134p).

In his annual review the chairman, Sir Stephen Brown reports that contrary to the general trend in U.K. manufacturing industry, substantial investments were made during the year in buildings, manufacturing plant and equipment, particularly in the U.S. and Brazil. About 33 per cent. of total net assets are now overseas and 53 per cent. of trading profits was made by the overseas subsidiaries.

In the tobacco machinery and corrugated board machinery industries the group further strengthened its international market leadership, but, in common with most other U.K. manufacturing companies, suffered from the world-wide recession and inflation in Britain. Masson Scott Thrissell, the paper machinery subsidiary, was particularly affected, says Sir Stephen.

In the U.K., the tobacco machinery division's improved trading profit was mainly the result of increased efficiency which was also reflected in improved delivery performance. While there was a falling off in the rate of order intake, the division's ability to take advantage of the expected economic recovery has been enhanced by continuing investment in production facilities and the coming to fruition of a number of product development programmes.

The major contribution to overseas turnover and profits was made by Langston, the U.S. corrugated board machinery company acquired in October, 1974, and the Richmond (tobacco machinery) division of the U.S. subsidiary. In Brazil, India and Australia, Molins subsidiaries also made significant contributions, he adds.

Chairman's statement Page 26

Gibbs and Dandy sees further rise

In his annual report, the chairman of Gibbs and Dandy, Mr. J. Dandy says there are few signs of a national economic recovery, but every effort will be made to ensure that this year brings a progressive result for the group.

As reported on March 30, pre-tax profits last year rose from £243,923 to £259,880 on sales up by £934,187 to a record £6.71m. The dividend is 1.481p (1.388p).

Mr. Dandy says the satisfactory result was achieved in a period of considerable difficulty for at least some sections of the construction industry. A fall in demand for building materials has been offset to some extent by the group's ability to provide the needs of many other industries and of the public generally.

This had been made possible by the planned expansion of recent years with emphasis upon purpose-built premises, modern handling methods and adequate stocks.

The group trades as builders' merchants, ironmongers, paint and tool merchants, glazing contractors and electrical wholesalers. Meeting, Luton, May 12 at 11.30 a.m.

Sedgwick Forbes places Conrail excess

Sedgwick Forbes North America working with Alexander and Alexander Inc. and Unionamerica Insurance Group, have recently concluded a deal whereby a substantial part of the excess third party liability insurance of the Consolidated Rail Corp. has been placed with the London Insurance market.

Total extent of cover placed by the consortium of brokers at present amounts to $35m. but is likely to be extended to $50m. before long.

Of the initial $35m. so far just over $25m. has been placed through Sedgwick Forbes mostly in London.

Consolidated Rail is a new semi-nationalised railway being formed out of the principal assets of seven bankrupt railway companies in the North-East and Mid-West of the U.S.

Increasing emphasis overseas by 'Tubes'

IN THEIR annual report the directors of Tube Investments state that difficult trading conditions are expected to continue through the first half of 1976. Much will then depend on the rate at which the incipient recovery in world trade develops and on how quickly the U.K. economy follows suit.

The group's increasing involvement in world markets through exports and also through sales by subsidiaries and associates overseas, will provide a valuable springboard for recovery. The directors say that until the timing of these developments can be more clearly seen, it will be difficult to forecast the out-turn of 1976.

As reported group pre-tax profit improved from £41.06m. to £42.34m. in 1975. A summary of results adjusted for inflation on a CPP basis shows a pre-tax profit of £26.26m. (£36.79m.).

Referring to the steel tube activities the directors report that this division entered 1976 at a low point, but a recovery in demand is expected in the second half, when benefits from expansion schemes will also begin to accrue.

The division is to make an important investment in gas cylinder manufacture in Brazil. TI's contribution to the £10m. project will be £2m., which will represent 40 per cent. ownership, the directors state.

The consumer finance market is predicted to show further real growth in 1976 and, with new branch offices open, the division's progress is expected to continue.

Turning to the domestic appliance division the directors report that home demand in the early weeks of 1976 has remained depressed and the results for the year will to an extent be dependent on the degree of stimulus to consumer spending provided by the Government during the year.

The division will be well placed to benefit from the expected recovery, as a result both of efficiencies deriving from organisation changes and of an important programme of capital investment: it is planned to spend about £10m. over the next two years on new products and improved and expanded facilities.

Members are told that one element of the division's longer term aims is a further expansion into European markets, and a "most encouraging feature" of the 1975 results was a good performance by Interdomo, the German central heating company, which has increased its market share.

Referring to Round Oak steel works the directors state that the position of this company deteriorated progressively during the year, in line with the world steel recession. Prospects for 1976 indicate that some improvement in demand can be expected; export business is being actively pursued.

During 1975 total borrowing was reduced by £11.8m. to £115.9m. The borrowings figure at December 31 includes borrowings of the newly acquired subsidiaries amounting to £7.5m. The cash flow of the "old" group for 1975 therefore amounted to a surplus of £19.3m. after benefiting from the rights issue and having carried the cost of acquisitions.

The combined effect was to produce borrowings at December 31 equal to 56.9 per cent. of shareholders' funds compared with 78.2 per cent. a year earlier.

The increase in working capital of £14.7m. to £207.6m. included £7.5m. in respect of the newly acquired subsidiaries. The comparable group companies therefore restricted their increase in working capital to £7.2m. in a year when the general rate of inflation ran at 24.9 per cent.

In the face of recessionary conditions capital expenditure amounted only to £15.3m. (£18.1m.). However, new subsidiaries brought in fixed assets having a net book value of £7.9m. Capital expenditure is planned to increase again during 1976.

Capital expenditure sanctioned and outstanding at December 31 amounted to £9.78m. (£13.12m.) against which contracts had been placed of £3.99m. (£5.85m.).

As known, the chairman Lord Plowden will retire from the Board at the annual meeting. His successor as chairman will be Mr. Brian Kellett.

Chairman's statement Page 21
See Lex

R. P. MARTIN IN BAHRAIN

Because of the growing stature of Bahrain as an important Middle Eastern fin[...] international money [...] Martin and Co. [...] Yateem of Bahr[...] operating to form [...] exchange and cur[...] broking company [...] be called R. P. Ma[...]

Mr. Ali Yateem, [...] chairman, will own [...] and R. P. Martin [...] remaining 49 p[...] manage the comp[...]

Long & Hamb[...] upsurg[...]

DOUBLED pre-t[...] £258,000 are repo[...] and plastic moul[...] Hambly for the [...] February 7, 1976 [...] £5,000 short of th[...] last full year—w[...] £528,000 was repo[...]

However, owing [...] book at one of t[...] second half year [...] expected to equ[...] first. Neverthele[...] half will make a "[...] tribution" to pro[...] say the directors.

For the half [...] £134,000, compar[...] leaving the net p[...] (£82,000).

Farm F[...] earns a[...] pays m[...]

After an expa[...] to £90,600 at mid-[...] fit of Farm Feed [...] year to January 3[...] from £200,362 to [...] over for the 12 [...] from £3.45m. to [...]

Earnings per [...] shown to have ri[...] 6.4p and the d[...] stepped up from [...] with a final of 2[...]

Tax takes £1[...] with £117,108 [...] balance up fr[...] £120,774.

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Robert Bosch in talks with Messerschmitt

BY NICHOLAS COLCHESTER

BONN, April 21.

ROBERT BOSCH, the privately-owned electrical and electronics group, confirms that it has had talks with shareholders of Messerschmitt - Boelkow - Blohm, the West German aerospace concern, with the object of acquiring a small stake in that company. A spokesman said that Bosch was ready for further talks but that no negotiations were taking place at the moment.

Spiegel, the West German news magazine, reported in its latest issue that the Blohm family, which controls 22 per cent. of the aerospace company, might soon sell out to Bosch. The latter company said to-day that it was not interested in acquiring the whole of the Blohm holding, or the whole of the 13.24 per cent. holding of Ludwig Boelkow, the founder and current chairman of the company. It wanted instead a holding of the same size as those of Siemens and August Thyssen-Huette which each have 8.3 per cent.

Despite its heavy dependence on Government contracts MBB is associated with a number of successes in the German aerospace field. Its BO 105 helicopter is already a profit maker and has scored further sales successes this year. The company is one of the main German contractors for the MRCA military aircraft—a vast multinational project which recently was given the go-ahead for series production by the German cabinet. It is a successful missile maker and its participation in the airbus project is one with great potential.

It could be attractive for Bosch to reinforce its links with a company whose government-subsidised business includes electrical and electronic equipment in the most advanced applications. Siemens already has an equity link and so does Boeing of the U.S. which now has U.S. rights to the Rotor system of the BO 105.

At the same time MBB officials speak openly of the need for more equity capital. At the moment the company has share capital plus reserves of DM139m. This compares with long term debt of over DM200m. and short term debt of over DM500m. Yet clearly the private shareholders in MBB could find it hard to come up with the necessary money. Siemens and Thyssen were instrumental before in providing fresh capital when private shareholders could not. Bosch could be the next to take an interest.

More light on Heineken/Bols

BY MICHAEL VAN OS

AMSTERDAM, April 21.

BOLS, the Dutch distillers and merchants, stated at a Press conference in Nieuw Vennep to-day that it continued to reject the recently-announced takeover bid by Heineken, the Dutch brewers which also has a modest stake in the distilled sector.

Bols sees no reason to give up its independence, neither from the commercial nor from the financial point of view, and it is pressing ahead with plans to prevent Heineken from gaining control. This would be done, it was hoped, with the earlier planned change in the company's articles with the added protection measure of possibly issuing Preference shares. Bols hopes the package to be approved at the annual shareholders' meeting which has been brought forward to next Wednesday.

It is also understood, however, that, if necessary, Bols would possibly be able to swing the vote at the shareholders meeting —it needs two-thirds of the votes —through the private placing of the remainder (just over half) of its authorised capital.

At a Press briefing later in Amsterdam, Heineken stated it "heartily hoped" the bid would succeed, though it would be "no disaster, neither for Heineken nor for Bols, if it did not."

The company which did not appear particularly optimistic about its chances to-day—said it envisaged a straight forward deal with Bols. It had not built up a stake in the company even though it had been offered several packages.

Heineken added that it was not in a hurry to take over Bols for fear of counterbids.

But if its Bols bid failed, it would have to take investment decisions very shortly governing some Fls.50-60m., to be sure of sufficient distilled production capacity and of grain alcohol raw materials, supplies to meet expected international demand in 1978-79.

Heineken faced going it alone if the Bols bid failed, which meant that it would proceed more slowly while there were so many uncertainties bolstering its Dutch market share would also safeguard its beer position. Heineken also rejected the sort of compromise deal Bols appeared to be prepared to discuss. Mr. Ge Van Schmalk for the board said: "What Bols meant was that we should transfer our distilled interest in exchange for a large minority share—but we want to continue to expand in distilling, and we want to control activities there." The company stressed that the future international marketing potential constituted a great attraction underlying the approval of added interest would be possible ownership of the Bols grain alcohol plant in Schiedam. Heineken hoped to own its supply of this raw material, not to buy it from third parties. Referring to its need for an in-house supply of alcohol for distilled production, Heineken revealed that it had also had unsuccessful discussions with the Dutch Gist-Brocades Company, recently and also a few years ago.

As reported earlier, Heineken's conditions for pursuing the bid include the provisos that Bols capital is not raised from its present level, that its changes in the Bols articles are not approved, and that around 80 per cent. of the Bols shares are offered to Heineken.

U.S. chemical contrasts

By Stewart Fleming

NEW YORK, April 21.

CONTRASTING TRADING figures for the first quarter of the year have been announced by the second- and third-largest U.S. chemical concerns.

Union Carbide, the second largest, reported earnings per share of $1.65 compared with $1.87 in the same period of 1975.

The company's sales totalled $1.5bn., and net earnings $101.5m. against $1.35bn., and earnings of $114.5m.

Dow Chemical's first-quarter earnings totalled $142m., against a re-stated $110m. On a per share basis Dow's figures for the first quarter of 1976 were $1.53 compared with $1.20.

Poor year for Usines Chausson

BY RUPERT CORNWELL

PARIS, April 21.

USINES CHAUSSON, the major French car industry supplier, to-day put the seal on a year in which everything went wrong by announcing a total 1975 loss of Frs.88.6m. (£10m.), compared with a deficit of only Frs.4.6m. the previous year.

Part of the trouble at Chausson was the depressed state of the motor industry throughout the recession, largely responsible for a 17 per cent. volume drop in output. This fall, however, was more than made up by higher prices, so that sales actually rose in value terms to Frs.1.53bn. (£170m.) from Frs.1.38bn.

The main factor, however, was the bitter strike which paralysed Chausson for eight weeks last year, a problem aggravated by a serious fire at its plant at Creil, to the north of Paris.

In addition to parent company losses, Chausson reported a deficit incurred by subsidiaries of Frs.1.7m., to which should be added a further provision of Frs.11m. for various unspecified "possibilities." These will be covered out of a special Frs.25m. reserve created for the purpose.

The gross operating loss in 1975 came out at Frs.4.4m. against a profit of Frs.87.7m. in 1974. After depreciation and other financial charges totalling Frs.82.7m. (Frs.80.4m. in 1974) the operating deficit was Frs.87.1m. (a profit of Frs.7.2m.). On top of this came other exceptional losses of Frs.1.5m.

With any luck, though, the worst is now over. The recovery in the car sector is well under way and the Chausson Board is forecasting a return to profit in 1976.

Sony backs its stand on VTR

By Bill Cochrane

CRITICISED in Tokyo recently for its emphasis on videotape—to the extent, some say, of losing ground in hi-fi and even colour TV—Sony put up a spirited defence of its policies in London yesterday.

Mr. Noboru Yoshii, senior adviser to the Sony Board, said that the Betamax system — small size, moderately priced and developed primarily for home use —"has brought about a quiet revolution in home entertainment."

It is estimated that 100,000 Betamax units could be sold this year, against 25,000 in 1975, lifting the VTR area as a whole from 7½ per cent. to 10 per cent. of group sales. It could rise to 15 per cent. of sales within the next five years, and while colour TV should still be chalking up 37 to 38 per cent. of the total, Mr. Yoshii pointed out that the reduction of videotape unit costs should bring big rewards: "high technology, high margins."

Tokyo market men may be looking for a reason why Sony, unlike, say, Pioneer Electric or TDK, has not outperformed the market in this year's recovery. Sony objects. In Mr. Yoshii's words, it would be "better to compare TDK or Pioneer with one of our subsidiaries." More constructively, he reminded his London audience that Sony had a rapid growth rate in the fiscal years 1970-73—with net income gains of 20, 62 and 27 per cent. respectively—and that the downside was relatively limited with declines of 2 per cent. in 1974 and 35 per cent. in 1975.

The forecast for this year, following first quarter gains of 11 and 18 per cent. in net sales and net income respectively, is that Sony "will recover its net income substantially . . . to hit the peak recorded in 1973 again." Apart from videotape, Sony like the rest of the Japanese consumer electronic majors, is obviously banking on the projected recovery in the U.S. colour TV replacement market.

However, with indicated earnings of around 40 cents per depositary receipt, with the ADR's quoted in New York yesterday at $81-88¼, Sony will need to justify its view that 1976 is "the first year of another trend of expansion."

Substantial losses at Waage

By Fay Gjester

OSLO, April 21.

THE THREE companies of Norway's Waage tanker group have reported losses totalling Kr.440m. (£44m.) for 1975. These losses reflect the almost desperate plight of some independent tanker owners following prolonged depression on the tanker freight market. The group expects to ride out the present crisis, however, with the help of loan guarantees from the recently established Guarantee Institute for Norwegian ships and drilling rigs.

Unprofitable rates have forced the lay-up of all six of the group's super tankers, and the two drilling rigs are also laid up, for lack of employment. Tanker contracts cancellation fees alone cost the group Kr.375m. last year.

To improve liquidity, Waage has withdrawn from participation in two private Norwegian oil companies (Saga Petroleum and Pelican), sold its Oslo office block and made drastic staff cuts. The sale of ships has, however, been impossible. The few buyers in the market were offering prices only half those ruling a year previously.

The Guarantee Institute has agreed to underwrite loans for the amount needed to cover laying up expenses and interest payment on debts over the coming four years. The group's creditors have agreed to a temporary moratorium on repayments due on ships, though interest on the loans is being paid regularly.

Having gained this temporary respite, the group believes that the forthcoming international economic upswing will eventually enable its ships to operate profitably again and that their value will rise, thus "recreating the necessary economic basis" for the three companies. "Intensive efforts" are also being made to find work for the two Waage rigs, which the group claims "should be competitive," in view of their relatively low cost price.

INSTANT COLOUR CAMERAS BATTLE

Goliath issues a challeng

BY JAY PALMER IN NEW YORK

NORMAL TRADING in Polaroid's shares was suspended on the New York Stock Exchange for fear that official unveiling of Eastman Kodak's long awaited new instant colour cameras might spark off a wave of pessimistic selling.

Whatever the longer term impact of this new challenge to Polaroid's domination of the fast-growing instant photography market, such fears proved totally unjustified.

When trading was eventually resumed a couple of hours after Kodak's special Press conference had ended, Polaroid's shares moved higher and Kodak's continued to slide. Dealers reported that the marketing muscle and price advantage of Kodak's new line was not enough to offset disappointment at the apparent lack of technical advance over Polaroid's existing cameras.

"Battle may have been finally enjoined" one dealer commented "but the contest is going to be a lot more even and less one-sided than many had previously expected." Be this as it may, over 10 years of speculation about the timing of Kodak's entry into instant photography has now ended with the acknowledged Goliath of the amateur camera industry at last turning and throwing down the gauntlet at its uppity competitor.

For all its relatively small size, Polaroid has been the recognised master of instant photography ever since Dr. Edwin Land, the company's president, demonstrated the first instant sepia prints in 1947. Having recently solved most of its initial production problems with its SX-70 model, Polaroid to-day is selling instant cameras at a rate of over 1m. a year with outside forecast suggesting that 1976 sales will exceed $950m.

While Kodak certainly dominates the amateur photographic market as a whole, accounting for over 80 per cent. of inexpensive new camera sales, it did not show any interest in instant photography until the early 1960s when it agreed to supply, under Polaroid patents, chemicals for instant film packs. From then on, it was only a matter of time before the company decided to break into the separate but highly rewarding instant market in its own right.

At a superficial level, Kodak's new instant cameras are very similar to Polaroid's existing range. While Polaroid's cheapest model—the "Pronto"—sells for about $66 before discounts, Kodak's two competing models—the "EK 4" and "EK 6"—will retail at $53.50 and $69.50, the lower priced version requiring that the picture be manually cranked out.

All produce prints of roughly the same size (Kodak's are rectangular rather than square) that develop to the same quality of colour within eight minutes.

Initially, Kodak is concentrating sales in Canada and the U.S., with the overseas launch delayed until some time next year after domestic demand is sated. The company refuses to discuss expected marketing costs but they are confidently expected to be high with prime advertising space booked during the Montreal Olympics and the key U.S. bicentennial celebrations.

With so little to choose between the two companies' competitive models, the forthcoming battle will almost certainly hang on marketing success. Here, Kodak's size and the fact that enlargements of its cameras' instant photographs can be easily ordered from local dealers could be the telling point. Polaroid refuses at this stage to comment on its plans to meet the competition but some sort of significant price discount is expected.

Kodak's last significantly different new product was the pocket camera launched in 1972 and coming in late to an established instant market will of course, leave the company at something of a disadvantage in marketing terms now.

However, at the same time, Kodak has a bonus in being able to avoid some of the more critical mistakes made by Polaroid with its SX-70—mistakes which helped to cut Polaroid's 1974 earnings.

Unlike the SX-70, Kodak's EK 4 and 6 have a battery in the camera rather than in the film pack—a move that will avert the danger of a long shelf life resulting in the eventual sale of a dead film pack. At the same time, Polaroid's experiences with the environmentalists over the throw away of earlier models' developing sheets has clearly prompted Kodak to make its prints one self-contained unit.

But these advantages are only really relative to Polaroid's earlier cameras and it is doubtful whether they will, in any way, give Kodak any current sales advantage. Ultimately, this will fall back on the extent of price discounting. And that depends on the company's bulk discounts to wholesalers and marketing coverage.

New range

Here Kodak has an obvious advantage and one that it can be expected to utilise to its fullest. The company is already stressing that its thousands of retailing outlets and processing centres will be able to produce copies and enlargements or instant prints virtually within a few days as opposed to the longer period required for Polaroid prints.

But, at the same time, this new move by Kodak is almost certain to accentuate its existing anti-trust problems. The company is currently fighting off three private anti-trust suits by other companies (which want Kodak broken up and its trademark, Kodak, made a generic term), while simultaneously under investigation by Department.

Kodak refuses size of the requir development ex went into the n would be surpris considerably gr $600m. Polaroid SX-70. The im diversification or to be deferred u initially limited city and very hi ing costs.

However, fro outside projecti instant photogr tribute anything a share in earni years and poss by 1985. Initia that non-affili attracted by better margins able credit ar make Kodak cent. of their i

On the face o bode well for P cording to a m managed to when it launch offered some bu better pricing t

However, mo that the insta will continue years to grow than the rest o this, aside fro entry, could panies simply their share of

For the fu seems likely move into inst a field Kodak i studying. Bu to discuss its p stage could st years away. is going to ha hold on to its while Kodak s wards of its research and d

Saab sees sales rise of a fifth in 1976

BY WILLIAM DULLFORCE

STOCKHOLM, April 21.

SAAB-SCANIA, the Swedish commercial vehicle, car and aircraft manufacturer, expects to raise sales by 20 per cent. this year to almost Kr.9.5bn. (£1.17bn.). But Saab attempts no forecast of earnings, which the shareholders' report states, will depend on the world business cycle and the possibilities of coming to terms with cost increases. Last year the pre-tax profit dipped slightly to Kr.333m. (£41m.) after a 21 per cent. growth in turnover to Kr.7.9bn. (£975m.), of which 42 per cent. referred to sales abroad.

A significant feature of the 1975 accounts is the very high level of capital investment, Kr.604m. (£74.5m.), which means that the group has invested close to Kr.1bn. over the last two years. By far the larger part has gone into an expansion of car manufacturing capacity to 112,000 vehicles and into the Scania truck and bus division, where a bottleneck in engine output has now been overcome.

This expenditure leaves the group with capacity to meet a rise in demand later this year or in the beginning of 1977. The order book (which does not include cars) was just over Kr.5bn. at the end of the year and an improvement was discernible in the last three months of 1975.

The final report gives no profit breakdown but the Scania division, which accounts for 46 per cent. of total sales against 33 per cent. for cars, contributed the bulk of profits. The smaller aerospace division (sales Kr.858m.) is thought to have been responsible for some 20 per cent. of earnings. Cars did not give a satisfactory return on capital. The Datasaab computer division again showed a loss but hopes are attached to the marketing agreement with Univac.

For the whole group the return on total capital employed was 7.9 per cent., against 8.5 per cent. in 1974, and earnings declined to 22 per cent., compared with 24.8 per cent. the previous year. The Board proposes to pay an unchanged dividend of Kr.11 per Ordinary share for the fourth year running.

The pre-tax profit of Kr.333m. was struck after Ordinary depreciation of Kr.238.5m. Long-term borrowings increased last year by Kr.423m. (£52m.) to Kr.892m., including a Kr.100m., 15-year unsecured loan issue in Sweden at a coupon of 9¾ per cent. and loans of Sw.Frs.228m. on the Euromarket, of which Sw.Frs.112m. was short-term.

Inventories and claims on customers rose by Kr.988m., of which Kr.729m. was attributable to the Scania and car divisions. The short-term bank debt rose by Kr.553m., suppliers' credits by only Kr.79m. and customers' advances by a modest Kr.157m. Cash and bank balances increased over the year by Kr.477m. to stand at just over Kr.1bn.

Pan Am denied

By Stewart Fleming

NEW YORK, April 21.

THE CIVIL Aeronautics Board (CAB) to-day announced a tentative decision to deny Pan American Airways a two-year-old petition for a federal subsidy. Pan Am had asked for $194m. in 1974 at the height of the fuel crisis.

The CAB said that although previous losses had left the company in a weakened financial position it appeared now to be in a position to regain profitability and maintain self sufficiency.

Meanwhile, two leading airlines, TWA and National, yesterday announced further losses. TWA, which last week halted negotiations with its bankers on refinancing on the grounds that its financial situation was improving, said that its first-quarter loss had halved from $75.3m. a year ago to $45.8m. in the current quarter.

National Airlines said that its third-quarter loss was $992,000 compared with a profit of $3m.

Favourable sig at Alusuisse

BY JOHN WICKS

ZU

THE WORST lies behind us, shareholders of Swiss Aluminium were told at the company's annual general meeting to-day by Emanuel Meyer, president and managing director. The Alusuisse group, whose sales fell 24 per cent. last year to below Sw.Frs.3.89bn. and which recorded a first-ever consolidated loss of Sw.Frs.20.9m., was faced with massively favourable signs. "This year will not be a good one," the president said, "but the next one may."

The past year was one of the worst ever in the history of the aluminium industry, Meyer claimed. Things were now going better, though not yet well. Sales volume was rising and being followed hesitantly by prices. In the United States consumption was expected to increase by 20 to 25 per cent. and the Alusuisse subsidiary there, Consolidated Aluminium Corporation (Conalco), should provide a substantial profit for the group, as had been the case in 1974. Meyer spoke of a "trend in the right direction" in Germany, where the group's light metal activities had experienced heavy losses last year. But pr market remai

With regar joint venture Leichtmetall- Essen, the Metallgesellsc ing to sell shareholding "would not d purchase opti Meyer. He Essen plant profits zone

In connec mining activi that its Sierr Sieromco h bauxite rese probably pro tonnes in the is planned to "in the more consortium Sierra Leone group of inter producers he Prospecting f Rica and reduced still

Among othe said the chem group, heade pany Lonza to continue

SELECTED EURODOLLAR BOND PRICES
MID-DAY INDICATIONS

STRAIGHTS	Bid	Offer
Aquitaine 10pc 1985	104	105
Ashland 8pc 1987	96¼	97¼
Austraswiss 8pc 1987	94½	95½
BFCE 8¾pc 1983	99½	100½
CNE 9¾pc 1985	102½	103½
Conoco 8pc 1986	101	102
ECS 9½pc 1986	101	102
EIB 9¼pc 1985	102½	103½
ERAP 9¼pc 1985	103	104
Esso 9pc 1986 Nov.	101¾	102¾
Eurofima 8¾pc 1983	99¾	100¾
Granges 9½pc 1983	101	102
Massey 9½pc 1983	104	105
Michelin 9¾pc 1986	101¾	102¾
Modo 9½pc 1983	100	101
Nwfdld. Labrador 9¾pc '86	104½	105½
New Zealand 9½pc 1982	103	104
Norpipe 9¾pc 1986	100¾	101¾
Norsk Hydro 9½pc 1986	102¾	103¾
Oslo 9pc 1988	100½	101½
Pacific Light 9pc 1983	96¾	97¾
Prov. Quebec 9pc 1984	100¾	101¾
Scanraff 8¾pc 1988	99½	100½
SFE 9pc 1983	101	102
Shell 8pc 1986	101½	102½
Stand. Oil (Ind.) 8¾pc '88	103	104
Svenska Handels 9¾pc '86	100	101
Volvo 9½pc 1985	103½	104½
NOTES		
Barclays 9½pc 1982	101¾	102¾
British Gas 9pc 1981	101½	102½
Charb. France 8¾pc 1981	100	101
Denmark Mt. Bk. 9pc 1983	97½	98½
ECS 8¾pc 1981	101½	102½
EEC 8½pc 1982	97½	98
Elec. Council 8¾pc 1981	98½	99½
Montreal 8¾pc 1983	102¾	103¾
Nippon Steel 9½pc 1980	103½	104½
Norway 8¾pc 1981	102½	103½
Prov. Quebec 8¾pc 1981	99¾	100¾
Seagram 8pc 1983	103	104

Source: White Weld Securities.

CONVERTIBLES	Bid	Offer
American Express 4¼pc '87	81½	83½
Ashland 5pc 1988	86	88
Beatrice Foods 4½pc 1992	94	96
Beatrice Foods 4¾pc 1992	103½	105½
Borden 5pc 1992	97½	99½
Broadway Hale 4¾pc 1987	79	81
Canon Camera 7¼pc 1989	81½	83½
Carnation 4pc 1987	81½	83½
Chevron 5pc 1988	111½	113½
Dart 4¾pc 1987	85½	87½
Eastman Kodak 4½pc 1988	123	125
Economic Labs. 4¾pc 1987	83	85
Fed. Dept. Stores 4½pc '85	137	139
Firestone 5pc 1988	90	92
Ford 6pc 1986	100½	102½
Ford 5pc 1988	89	91
General Electric 4¼pc 1987	83	85
Gillette 4¾pc 1987	82	84
Gould 5pc 1987	90	92
Gulf and Western 5pc 1988	97½	99½
Harris 5pc 1992	82	84
Honeywell 6pc 1986	83	85
ITT 4½pc 1987	78½	80½
Komatsu 7½pc 1990	103	104½
J. Ray McDermott 4¾pc '87	135½	137½
Mitsubishi Elec. 7¾pc 1991	101	102½
Mitsui 7¼pc 1990	101	102½
J. P. Morgan 4¾pc 1987	117½	119½
Nabisco 5½pc 1988	92	94
Owens Illinois 4½pc 1987	109	111
J. C. Penney 4¾pc 1987	86½	88½
Pioneer 8½pc 1989	200	265
Revlon 4¼pc 1987	103	105
Reynolds Metals 5pc 1988	90	92
Sperry Rand 4¾pc 1987	99½	101½
Squibb 4¾pc 1987	82	84
Texaco 4¾pc 1988	79	81
Toshiba 6½pc 1990	103½	105
Union Carbide 4¾pc 1982	124	126
Warner Lambert 4½pc 1987	91	93
Warner Lambert 4¾pc 1988	85	87
Xerox 5pc 1988	76	78

Source: Kidder, Peabody Securities.

هكذا في الأصل

Sales volumes picking up at Unilever

SALES VOLUMES at Unilever have started to recover in the early months of 1976 and the group's starting position is better than last year.

Announcing this at a Press conference yesterday chairman Mr. David Orr said that the recovery evident in most sides of the business, and in most countries, including Europe, where sales in 1975 had been depressed.

Referring to capital expenditure in the U.K. he said that this had been roughly pro-rata to the rest of the business. However, the chairman pointed out that some investments had been made in the expectation that the present Price Code would be fundamentally altered.

As it stood the Code did not allow profits to reflect the savings made by capital expenditure. So far this had not affected the investment programme but "our confidence will only be maintained if early changes were made to the Price Code," stressed Mr. Orr.

The annual report shows that capital expenditure in 1975 totalled £223.4m. compared with £221.9m. in the previous year. An analysis shows this expenditure split as to: EEC countries £152.6m.; other European countries £16.4m.; U.S. and Canada £20.8m.; Central and South America £5.3m.; Africa £14.3m.; Asia, Australia and New Zealand £14m. By products, the split is: margarine other fats and oils, dairy products £50.2m.; other foods £65.2m.; detergents £23.1m.; toilet preparations £5.2m.; chemicals, paper, plastics, packaging £32.3m.; animal feeds £6m.; UAC International £13.9m.; and plantations, transport, etc., £27.5m.

Projects approved during 1975 amounted to £223.6m. (£237.9m.).

Durin gthe year there was an increase in net liquid funds of £203.1m. (£163.7m. decrease). Net liquid funds at December 31 stood at £269.4m. (£62.7m.)—this comprised marketable securities £48.2m. (£58.3m.); cash and deposits £418.1m. (£204.8m.); and short-term borrowings £196.9m. (£200.4m.).

The directors state that the increased funds at the year end when combined with the group's relatively low gearing put Unilever in a good position to meet any future increase in working capital and capital expenditure. The substantial financial swings in 1974-75 emphasise the importance of maintaining a strong balance-sheet, so that sudden large increases in financial requirements can be met without strain.

Group results for 1975 showed a combined operating profit of £365.8m. (£357.4m.) and a balance attributable to Ordinary holders of £142m. (£155.1m.). An analysis of these figures by product and by country respectively are given in the following tables.

	1975 £m.	1974 £m.
OPERATING PROFIT		
Margarine, dairy, etc.	57	80
Other foods	78	60
Detergents	92	80
Toilet preparations	21	12
Chemicals, paper etc.	13	32
Animal feeds	6	7
UAC	42	43
Plantations transport	18	21
Total	366	357
ATTRIBUTABLE ORDINARY:		
EEC countries	58	78
Other European	10	12
U.S. and Canada	16	18
Central and South America	5	5
Africa	34	24
Asia, Australia, New Zealand	19	19
Total	142	155

Referring to inflation accounting the directors state that the Sandilands report was published too late for the group to calculate the full impact of the proposals on the results. Preliminary calculations indicate that the 1974 operating profit would have been reduced by more than half whereas that for 1975 would have been reduced by about 15 per cent. The main reason for the disparity between the years is that prices of all the group's raw materials rose sharply in 1974 whereas last year price movements tended to offset each other, they explain.

Meeting, Baltic Exchange, E.C., May 12 at 11 a.m.

Chairman's statement Page 23
See Lex

Setback for Root Harvesters

A slump in taxable profits from £304,313 to £164,459 is reported by agricultural machinery manufacturers, Root Harvesters for 1975. Turnover was £2.75m. compared with £2.83m.

At halfway the directors announced a decline in profits from £119,205 to £104,246 and warned that they did not anticipate that profits for the second half would equal those of the corresponding period.

Yearly earnings per 10p share are shown to have fallen from 6.4p to 3.14p and a final dividend of 0.995p net makes a total of 1.665p (same) payable on capital increased by the rights issue in June. The cost of the dividend is £51,672 (£36,818).

Tax absorbs £80,661 (£163,859) and there is extraordinary income this time of £83,558.

The directors say that the results of the trailer division were seriously affected by the necessary run-down in production ahead of the move to a new factory—an estimate of the amount recoverable as a disturbance claim has been included in the group's accounts. Both production and orders have now returned to a "satisfactory" level.

Prospects for the current year appear encouraging in that the present prices for potatoes have given growers the incentive to invest more in harvesting machinery, they add.

Exports by the group during 1975 amounted to £351,471, an increase of 145 per cent.

Rockware set for expansion

IF THIS year sees the glass industry back on the normal track of a 3 per cent. to 4 per cent. rate of expansion, the Rockware Group has the proven potential to advance its growth, the chairman, Mr. P. Parker tells members.

The growth would be both in terms of the profitability of the existing business and in the broadening of the commercial base into related industries.

However, there is still little justification for hope of a big market upturn and 20 per cent. of the group's machinery stands idle, the chairman says. Much depends on the recovery of the economy.

As reported on March 25, pre-tax profits last year rose sharply from £2.72m. to £4.31m. with a net dividend total of 3.1672p (2.9679p). The group would have done even better, but U.K. glass container sales fell away for the second consecutive year, says Mr. Parker.

The directors are continually reviewing the cash flow strength. A dynamic investment programme is retained, but this depends on profitability and the 1975 results were still not what they should be to reach investment targets, the chairman points out.

Pilkington Brothers holds some 19.5 per cent. of the group's capital. Meeting, Winchester House, E.C. May 19 at 3 p.m.

Chairman's statement Page 22

TOKENGATE INVESTMENT COMPANY LIMITED

Registered in England No. 125159

INTERIM REPORT, 1976

Unaudited figures for the six month period ended 31st March, 1976 are set out below:

	1976 6 Months Unaudited £'000	R'000	1975 6 Months Unaudited £'000	R'000	1975 12 Months Audited £'000	R'000
1over	1,403	3,082	2,514	[illegible]	[illegible]	[illegible]
revenue before ceptional items	191	318	451	751	720	1,199
ptional items	4	7	(11)	(18)	(19)	(32)
revenue before xation	195	325	440	733	701	1,167
ation	74	123	206	343	310	516
revenue after xation	121	202	234	390	391	651
aordinary items of a tal nature:						
rofits, less losses, on alisation of vestments	—	—	438	729	716	1,192
rofits, less losses, on reign currency change rates	8	13	(140)	(233)	(1,039)	(1,730)
reign currency ovision	(284)	(473)	—	—	—	—
revenue/(loss) after xation and extra-dinary items ributable to areholders	(155)	(258)	532	886	68	113
ings per share	3.3p	5.5c	6.4p	10.7c	10.8p	[illegible]

Turnover represents proceeds of sales of securities by dealing subsidiaries.
Earnings per share are based on the issued share capital of 3,635,456 shares of 10p

The above results should not be taken as an indication of an annual rate of profit ial.

During the period under review the company's available assets in the U.K. have invested almost exclusively in the gold mining share portfolio, referred to in the Annual Report, acquired to provide cover for the foreign currency borrowing. Thus, ntrast to the corresponding period in 1975, share dealing and other revenue producing ities have made virtually no contribution to revenue in this half year.

Net assets per share, at 31st March, 1976 amounted to 96p (160c), based on an dited statement of assets and liabilities reflecting the market price of listed securities allowing for the effects of the foreign currency borrowing.

Attention of shareholders is drawn to to-day's announcement regarding a proposed ne of Arrangement which would result in Tolux S.A., a Luxembourg company, ing on the business at present carried on by Tokengate.

n arriving at sterling equivalents of rand amounts, and vice versa, the rate of nge of £1 = R1.66525 ruling on 31st March, 1976 has been used.

April, 1976.

TOKENGATE INVESTMENT COMPANY LIMITED

Registered in England No. 125159

"Tokengate"

PROPOSED SCHEME OF RECONSTRUCTION

he Board of Tokengate announces that proposals have been formulated for the struction of the Company which would eliminate the current United Kingdom nge control restrictions affecting the Company. A new company, Tolux S.A. ux") is being incorporated in Luxembourg with a view to carrying on the business sent carried on by Tokengate. Shareholders of Tokengate will be asked to approve eme of Arrangement, under Section 206 of the Companies Act 1948, whereby they receive :—

For every two shares of 10 pence of Tokengate — 110 pence in cash (the Cash Consideration) or One share of no par value of Tolux, paid up with an amount equivalent to the cash consideration (the Share Alternative)

in proportion for any other number of shares in Tokengate.

hareholders who do not accept the Share Alternative will receive the Cash deration in sterling save that those who have registered addresses in the Republic uth Africa will receive payment in rand which will be purchased on their behalf e date on which the Scheme becomes effective. At the exchange rate ruling on April, 1976 the value of the Cash Consideration was approximately equivalent to 88 per Tokengate share.

he special provisions outlined in the note below* relating to election for the Share native will apply to United Kingdom resident shareholders, i.e. holders of Tokengate (or Share Warrants to bearer representing such shares) who, for exchange control ses, are either residents of the Scheduled Territories (which presently comprise nited Kingdom, the Channel Islands, the Isle of Man, the Republic of Ireland and tar) or who not being so resident hold as nominees for residents of the Scheduled ories.

pplication will be made to the Stock Exchange of the United Kingdom and the nesburg Stock Exchange for listing of the share capital of Tolux.

he proposals will be recommended to Tokengate shareholders by independent rs and holders of some 33.6 per cent. of the issued capital of Tokengate have ted their intention to vote in favour thereof. The implementation of the proposals is t to approval by the relevant Exchange Control Authorities.

cheme documents including notices of meetings will be sent to shareholders shortly.

n accordance with Bank of England requirements, United Kingdom resident olders who elect to receive the Share Alternative, will need to authorise a ated bank to purchase on their behalf investment currency of an amount which sale at the current rate in the official foreign exchange market, will produce an t of sterling equal to the Cash Consideration. The nominated bank will thereafter a demand for payment by each such shareholder of the cost of this transaction ess of the Cash Consideration.

n
April, 1976

Lex Service expansion to continue

IN HIS annual statement, the chairman of the Lex Service Group, Mr. T. E. Chinn, says that several internal expansion activities started during 1975 will be continued this year.

These include the modernisation and expansion of the crane hire fleet in Harvey Plant, a major development programme for Wilkinson Transport covering six locations and the expansion of the Albany freight forwarding business.

Referring to the expansion of the Volvo group, the chairman says the increase in volume will allow more effective utilisation of facilities for the importation of both cars and parts. It will also significantly widen the market opportunities for Lex Brooklands regional distributorships and dealerships for Volvo.

As reported on March 20 with prospects for the current year, pre-tax profits for 1975 rose from £3.7m. to £4.09m. on turnover of £190.87m. (£165.4m.). The dividend is again 1.5075p net.

During the year a definitive appraisal of the current and future viability of each operating unit identified certain businesses which were not capable of earning a satisfactory return on investment and were seen as strategically irrelevant to future development.

This brought about Lex Commercial's withdrawal from the Chrysler commercial vehicle business; the sale of Harvey's general contractors plant business in Newton Abbot; the sale of the operating assets of Lex JCB; the disposal of certain travel interests; and the sale of one of Lex Motor Company's British Leyland dealerships together with the closure of three others. Additionally a number of surplus properties were disposed of, realising £1.06m. which was in excess of the aggregate book value.

Plans for the current year envisage an encouraging improvement in profits over 1975, says the chairman. The group is currently exceeding plan with profits significantly better than the corresponding period last year.

The company has disclosed that four Stock Exchange Class x 4 transactions took place during the year. The class of transactions covers those between the company, or its subsidiaries and any company in which a director had an interest, within one year of the transaction.

According to a spokesman, the deals totalled between £400,000 and £500,000, the largest being the sale of Harvey Plant Hire for £198,000, and were all negotiated at around book value.

The directors intend to invite Mr. Rosser Chinn to become the group's first president, on his retirement from the Board in May. Meeting, 5, Burlington Gardens, May 19 at noon.

SGB moves into Iran

In a further advance of its Middle East expansion programme, SGB group has formed SGB Iran, a private joint stock company, operating from offices and depot premises in Tehran.

As with those in Abu Dhabi and Dammam, the new company has been formed with local construction firms. SGB Group has a majority and controlling interest in SGB Iran, whereas the Arabian ventures were on an equal partnership basis.

Increase at Astbury and Madeley

AN ADVANCE in taxable profit from £425,030 to £504,107 is announced by Astbury and Madeley (Holdings) for 1975 after being up from £165,000 to £182,300 in the first half. Year-end earnings per 5p share are shown to be up from 4.75p to 5.81p.

A maximum permitted 0.941p net (0.865p) per share is payable, with a final dividend of 0.625p. The company distributes equipment used by industrial central heating engineers, plant maintenance engineers and plumbers.

	1975 £	1974 £
Turnover	4,358,777	4,023,429
Pre-tax profit	504,107	425,030
Taxation	269,517	233,371
Extraordinary debit	2,155	—
Attributable	232,125	191,659

Midway loss at George Whitehouse

For the 26 weeks ended December 27, 1975, George Whitehouse (Engineering) incurred a net loss of £60,165 compared with a £48,961 profit in the corresponding period of the previous year. Turnover was unchanged at £5.54m. against £5.53m.

In the year ended June 28, 1975 the group achieved pre-tax profits of £127,030 on turnover of £11.06m.

The first half loss is after all charges, including a tax credit of £64,883 (£52,000 charge). Attributable deficit is £39,742 against a £48,596 profit.

Newman Granger

From slightly higher turnover of £2.28m. against £2m., pre-tax profits of Newman Granger Industries rose from £138,935 to £280,584 in the half-year ended January 31, 1976. For the year to July 31, 1975, profits were £445,985 on turnover of £4.45m.

The net interim dividend is 0.6p compared with 0.56p—the previous total was 1.26125p.

The directors say order books are full and future schedules are encouraging.

First half profit is struck after depreciation and all other charges, but before tax of £149,300 (£72,500).

The group makes screw threaded jacks, etc.

Lafarge profit decline

Turnover of The Lafarge Organisation increased from £2.02m. to £3.01m. during the year ended January 4, 1976, and net profit was down from £344,782 to £201,489 after £460,383 (£470,351) tax and an extraordinary debit of £3,722, compared with a £151,571 credit. In the first half net profit dropped from £216,000 to £98,000.

Before the extraordinary items, earnings per 25p share are shown to be 3.6p at year-end, against 3.35p: after extraordinary items they are 3.53p (6.09p). Dividend total is 0.67p net, compared with 1.5p, with a final of 0.25p.

The company is engaged in the building and construction industry, and is controlled by Lafarge S.A.

Brotherhood sees record £1.4m.

The directors of machinery and power plant manufacturers, Peter Brotherhood expect to announce a record taxable profit of £1.4m. for the year to March 31, 1976, compared with £439,000 for the previous 12 months. Turnover is expected to be £11.5m. against £7.42m. and tax should take £728,000 (£221,000).

The interim dividend per 50p share is 1.625p (same) and a maintained final of 4.0625p net, at a cost of £127,969, is forecast.

The directors report that the investment in Melford Engineering has increased to £620,000 in the course of the year and that company has continued to make heavy losses. They, therefore, consider it prudent to make further substantial provision against this investment and it is the present intention to write off £370,000 and to continue to take steps calculated to improve the viability of that company.

George M. Callender

INCLUDING an extraordinary credit of £6,223, compared with a debit of £78,870, profit of George M. Callender and Co. improved from £74,427 to £214,734 during 1975 after tax of £241,739, against £160,075. Turnover was £3.8m. (£2.76m.).

Previously published figures were for an 18-month period to end-December, 1974, and comparisons have been adjusted to cover the year 1974.

When reporting first half net profits of £82,286 (£90,823), the directors said that third quarter sales indicated a year-end profit level "at least equal" to 1974 and final dividend would be not less than 0.5p net.

In the event the dividend is 0.6p which raises the total from 1p to 1.1p—stated earnings per 10p share are 3.1p, compared with 2.2p excluding the extraordinary debit.

The company manufactures bitumen damp-proof courses and sheeting.

MINING NEWS

Exchange loss hits Inco

BY KENNETH MARSTON, MINING EDITOR

SHARPLY LOWER first quarter earnings of Canada's giant International Nickel amount to $US23.3m. (£12.6m.), or 31 cents (16.7p) per share. They compare with $35.7m. in the final three months of 1975 and that year's total of $186.9m. An unchanged quarterly dividend of 35 cents (18.9p) is declared.

Adverse exchange rates have resulted in a reduction of $12m. in the past quarter's earnings. Inco's results are expressed in U.S. currency and the relative increase in the value of the Canadian dollar against that of the U.S. is largely responsible for the $12m. reduction because of the increased cost in U.S. terms of the company's borrowings and other liabilities payable in Canadian dollars.

Inco points out that currency translation adjustments do not enter into the calculation of income and mining taxes and therefore have a direct impact on net earnings. In future currency translation adjustments will be shown separately in the company's statements of earnings.

Otherwise, the past quarter has seen reduced sales of nickel and rolling mill products; lower prices for copper and platinum group metals; and a further rise in costs. However, there have also been better nickel and rolling mill product prices; increased sales of copper and platinum; and a "significant" improvement in the ESB multi-line battery subsidiary's contribution to earnings.

When the exchange rate factor is taken out, Inco's first quarter earnings are virtually the same as those of the final quarter of last year. They should now be moving forward at last in line with the incipient world economic recovery. The shares were ⅛ up at £26 in London yesterday.

ROUND-UP

Canada's Noranda is to bring its $37m. (£20.3m.) Agnew Lake uranium property in northern Ontario to production within a year, rather than two years as earlier forecast. The mine will have an annual capacity of 1m. pounds of uranium oxide.

★ ★ ★

Saskatchewan is introducing a new royalty structure for uranium companies. A basic royalty of 3 per cent. of gross sales and a graduated payment above this tied to rates of return on investment will be applied. There will be no graduated rate when the ratio of operating profit to capital investment is below 15 per cent., the peak graduated rate being 50 per cent. which is payable when the ratio reaches 45 per cent. The graduated rate does not come into effect until the dividend-paying stage and royalties can be offset by a credit equal to 35 per cent. on new exploration expenditure.

★ ★ ★

The president of America's Island Creek Coal Company says that coal continues to be the best hope the U.S. has of freeing itself from its dependence on foreign oil. He adds that a continued reduction in stocks held by steel and utility industries will be needed before coal markets firm up. Island Creek's current year earnings are expected to be good, but appreciably below the record $131m. (£70.7m.) for 1975.

Pacific Copper wolfram hopes

INDICATED mining reserves of 25m. tonnes of wolfram ore grading 0.35 per cent. in the form of ferberite together with 0.03 per cent. bismuth are now reported from the New South Wales property over which an option to acquire 60 per cent. is held by Pacific Copper, the Australian affiliate of Canada's Pacific Copper Mines. And there is a geological potential for greatly increased tonnages, it is stated.

It is planned to start mining operations within three months at a milling rate of 70 tonnes of ore per hour, this rising after six months to a rate of 125 tonnes. The initial operation will require some $500,000 (£334,000) and, as already reported, it is reckoned that the mine could provide a monthly cash flow of $800,000 before tax.

Kaiser Trading, which will provide pre-production financing against contracts for concentrates, has offered to purchase the mine's full production. Meanwhile, Pacific Copper also reports that drill proven ore reserves at its Cadia copper-gold property, in which the Estel subsidiary Oremco has a 40 per cent. stake, have risen to more than 35m. short tons grading 0.7 per cent. copper. Pacific Copper shares were 16p yesterday.

DIFFICULT DAYS STILL FOR AM & S

"A difficult year" is expected by the Rio Tinto-Zinc group's Australian Mining and Smelting lead-zinc-silver producer. At the Melbourne meeting of AM and S, the chairman, Mr. Frank Espie, said that despite signs of improvement in lead and zinc markets and world economies and prospects of higher sales in 1976 the group's main operations and basic market potential depend heavily on economic improvement in Australia and the U.K.

Metal stocks held by the group remain at high levels and smelter output is still significantly below capacity. Mr. Espie added that while there are now prospects of the group being able to increase production levels at smelters in the near future, it will be some time before all smelter capacity can be fully utilised. However, the shares rose 4p to 184p yesterday.

CONS. MURCHISON IS CONFIDENT

Commenting on the increased demand for antimony oxides, in line with the improvement of the U.S. economy and the growing use of the material's fire-resistant properties, Consolidated Murchison's chairman, Mr. P. R. Wilton, warned at yesterday's Johannesburg meeting of competition from substitute materials if antimony prices went too high. But he added that antimony prices "are no yet approaching that level."

After a setback in production during the March quarter as a result of heavy rains and labour shortages, Mr. Wilton anticipated a return to normal in the current three months and reckoned that 1976 sales could amount to some 25,000 tonnes of concentrates. Last year's shipments totalled 19,887 tonnes.

He said that funds currently on deposit are attracting interest of 9¼ per cent. and amount to R3.1m. (£1.9m.). Exports are being directed through Durban as well as Maputo. The dependence on foreign labour is being reduced, as at other mines. Mr. Wilton concluded that shareholders could possibly look forward to an increase in dividends in the current year. The shares advanced 40p to 830p in London yesterday.

MINING BRIEFS

GRIQUALAND EXPLORATION—March quarter: Trading profit R1,114,808 (December R1,897,000). Net profit attributable to members of GEFCO R907,000 (R1,892,000); Capital expenditure R685,000 (R851,000) and prospecting expenditure R88,000 (R82,000).

RAND MINES—March quarter: Welgedacht Exploration—Working profit R1.265m. (December quarter R1.37m.); railway revenue R6,250 (R110,361); capital expenditure R306,562 (R328,078). Witbank Colliery—Working profit R1,713,753 (R1,251,452); capital expenditure R5,965,491 (R6,171,159); and exploration expenditure R86,368 (R36,373).

ELECTRONIC MACHINE

Following the settlement on February 18, 1975, between Electronic Machine and Mr. Max Welling, Heritage (Investments), a company owned by Mr. Welling, has disposed of its holding of 353,000 shares (15.5 per cent.) in EMC.

Mr. Welling resigned as chairman of EMC in August, 1974, following a Boardroom row about debts between him and the company. Under the terms of the settlement, the former chairman is to pay some £200,000 to EMC, including £55,007 received at the time of his departure.

ALCAN BOOTH

Alcan Booth Industries has acquired 24 per cent. of the capital of Ian Proctor Metal Masts of Duncan Road, Swanwick, Southampton.

WILLIAM REED

The formal document containing the cash offer by Birmingham and Midland Counties Trust for the Ordinary shares of William Reed not already owned has been despatched.

Shareholders are being offered 33p per share and acceptances must be received by May 12.

BIDS AND DEALS

Rotaflex buys in subsidiary

Rotaflex has increased its interest in its French subsidiary, Societe Nouvelle des Etablissements Jumo S.A. to 97.4 per cent. by the purchase of a further 47.4 per cent. of the capital for Frs.5.4m. (£626,000).

The consideration has been financed in two parts—a Frs.2.7m. sterling loan repayable within one year and the remainder by means of a five-year Euro-Franc facility. Both loans are expected to be repaid out of the overseas earnings of the Rotaflex Group. All necessary consents have been received.

Pre-tax profits of Jumo for the twelve months ended December 31, 1975 were Frs.3.35m. (£390,000) and the amount attributable to the newly acquired interest is Frs.1.59m. (£189,000).

At end 1975, net tangible assets of Jumo were Frs.6.49m., including cash Frs.4.26m. and freehold property at book value Frs.75,000. The property, however, has recently been revalued at Frs.3m. As this property was excluded from the original share purchase, the value of net tangible assets being acquired is in line with the purchase consideration.

STENHOUSE SELLS GLASGOW PROPERTY

Stenhouse Holdings is raising £1.7m. cash through the sale of its freehold office property in St. Vincent Street, Glasgow. A pension fund has entered into an agreement to make the purchase on May 31. Book value is £800,000.

The property is being sold subject to a lease to A. R. Stenhouse and Partners, a wholly-owned subsidiary of Reed Shaw Osler, the insurance broking group in which Stenhouse Holdings has a 54.47 per cent. shareholding. The lease has 24 years to run at a rental, subject to five-year reviews, of £86,000.

SHARE STAKES

London and Manchester Assurance has acquired 45,500 3.15 per cent. Cumulative Preference shares in Steetley. This is in excess of 10 per cent. of the Preference capital.

Rectifier Modules International has purchased a further 15,000 Ordinary shares in Broxlea Holdings bringing total interest to 180,000. In addition, the chairman and associates of Rectifier Modules hold a further 23,100 shares.

Helical Bar has been advised that Abingworth (through its subsidiary) has purchased a further 60,000 shares, bringing total holdings to 488,835 shares.

Manchester Ship Canal has been informed by London and Manchester Assurance that it has acquired a further 32,500 Preference shares bringing total holding to 708,500.

John Menzies (Holdings) now owns 537,948 Ordinary shares in Gordon and Gotch.

Stock Conversion and Investment Trust announces that Mr. S. Krendel and Mr. J. Levy (acting as trustees) have disposed of 148,000 Ordinary shares in the company. Mr. Krendel (as trustee) now holds 9.75 per cent. and Mr. Levy 11.77 per cent. of the Ordinary capital. Mr. W. Wishart has reduced his beneficial interest by the disposal of 50,000 Ordinary shares.

Inchcape is now interested in 992,000 Ordinary shares (14.9925 per cent.) in Ocean Wilsons (Holdings).

Mills and Allen International—J. H. Vavasseur Group has increased its interest in the Ordinary capital and now holds 7,265,000 shares (78.31 per cent.).

Menteith Investment Trust—Bricomin Investment (a subsidiary of British and Commonwealth Shipping), has acquired a further 350,000 Ordinary shares and now holds 4,319,432 shares (15.6 per cent.).

Third Mile Investment Company—Sempah (Holdings) has sold 668,500 Ordinary shares (27.85 per cent.) reducing holding to 101,000 shares (4.2 per cent.), and Miss E. B. Linder has bought 600,000 shares (25 per cent.) of company. Malit Securities has sold its total holding of 600,000 shares (25 per cent.) which has been bought by private clients and institutions, no one holding amounting to 10 per cent. of company.

TOKENGATE RECONSTRUCTION

Proposals have been formulated for the reconstruction of Tokengate Investment, which would eliminate the current U.K. exchange control restrictions affecting the company.

A new company, Tolux S.A., is being incorporated in Luxembourg with a view to carrying on the business. Holders in Tokengate will be asked to approve a scheme of arrangement under which they would receive 110p cash or one share of no par value of Tolux (paid up with an amount equivalent to the cash consideration) for every two shares of 10p in Tokengate.

Application will be made to the Stock Exchange of the U.K. and the Johannesburg Stock Exchange for listing of Tolux.

The proposals will be recommended to Tokengate holders by independent advisers and holders of some 33.6 per cent. of the capital have indicated their intention to vote in favour. Implementation is subject to approval by the relevant Exchange Control Authorities.

Tokengate's pre-tax profits for the half year to March 1976 were £195,000 (£440,000) on a turnover of £1.8m. (£2.5m.). The company says that these results should not be taken as an indication of an annual rate of profit.

During the period the company's available assets in the U.K. have been invested exclusively in gold mining shares.

L.K. INDUSTRIAL

L. K. Industrial Investments announces that pursuant to the acquisition arrangements made with the vendors of its wholly-owned subsidiary, the Stearn Engineering Group, as subsequently amended, it has issued to them 30,000 Ordinary shares at par ranking equally in all respects with the existing Ordinary shares in the company.

These shares, together with a cash payment of £7,500, represents a consideration of £15,000. A further payment will be due on October 31, 1976.

RECENT ISSUES

EQUITIES

Issue Price p	Amount Paid up	Latest Renunc. Date	1976 High	1976 Low	Stock	Closing Price p	+ or −	Div.	Times Covered	Gross Yield	P/E Ratio
—	F.P.	—	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
$10,500	F.P.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
87	F.P.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

FIXED INTEREST STOCKS

Issue Price	Amount Paid up	Latest Renunc. Date	1976 High	1976 Low	Stock	Closing Price	+ or −
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

"RIGHTS" OFFERS

Issue Price p	Amount Paid up	Latest Renunc. Date	1976 High	1976 Low	Stock	Closing Price p	+ or −
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

A new breed of entrepreneurs has taken over the ailing companies which produce high-performance GT cars. **Terry Dodsworth** reports.

Luxury sports cars back on the road

ASTON MARTIN fell ncial trouble last year, British saviour could d with an acceptable ian. Several looked the over. A few put to id proposals: one con ven came up with the ous suggestion that this d producer of high- ance GT cars for the uld be saved with an of tax-payers' money. fell short at the final In the end, the sober t that £14,000 cars 12 miles to the gallon a sound risk during an risis won the day.

ston Martin was eventu ued. So was Maserati another of the prestige r producers to become of last year's slump. hini, the third member Italian triumvirate of ouring class producers er being Ferrari) was ut by a Swiss partner ter hitting financial s; and Jensen in Britain l be bought back from eiver. These rescues the question: were the British bidders wrong on Aston Martin?

oblems faced by the GT s are not difficult to On the one hand their e been roughly halved past two years, in strik rast to those of many restige luxury pro- Indeed, the slump in economies, with the decline in the property ncial sectors which had e to many swift fortunes 60s, seems to have had ularly damaging effect ports car marques: they ne of the solid virtues ve pulled Rolls-Royce the crisis.

gulations

same time, they have bear the high cost of entated limited-produc nufacturing methods at f raging inflation: in the n centres of production, and Italy, inflation has articularly severe, rais burden of financing stocks—a huge item on ving production lines— king point. And to add r misery, many manu s have been desperately o meet the new exhaust and safety regulations U.S., their leading crash tests, in these tances, must seem like bitter blow.

Faced with these pressures, many of the GT-producers have been forced into a classic pattern of decline: rising costs have led to an inevitable delay in new model development, leading in turn to an increasingly jaded market and lower sales.

It is not entirely clear as yet how the new managers intend to reverse this decline in the companies they have taken over. But in general terms they seem intent on diversifying away from their total dependence on GT production and going for opportunities that unquestionably exist in the prestige car market or even outside it. For example, Lamborghini, the company that took on Ferrari with its outstandingly daring designs in the 1960s, is considering diesel engine manufacturing.

To some extent this approach takes aboard the well-rehearsed criticism that they are producing cars which are unfairly expensive on fuel and general economic resources. But more to the point, it recognises that the demand for pure performance—the great strength for companies like the Italian trio and Aston Martin—must give way to more generalised appeal in an age of extensive speed restrictions.

Many of the larger volume manufacturers of quality saloon cars have already made this adjustment, stressing comfort, safety and ease of driving in their new vehicles while discreetly retaining good performance characteristics. It is probably significant that Alessandro de Tomaso, the Argentinian industrialist who has taken over Maserati, already has a company in his own name that makes a successful car—the Longchamps—in this mould.

De Tomaso is a former racing man himself, arriving in Italy in the entourage of the driver Juan Fangio, but as a businessman he has shown considerable interest in workaday products. Following his rescue of the Italian motor cycle industry, for example, he has been keenly involved in a project to build up a European moped industry. Similarly the Longchamps, while not exactly a workaday product at £9,000, looks more like an expensive saloon than an Italian sports car, and De Tomaso is to buy in the Ford V8 engine for the vehicle.

Mr. Peter Sprague, the New York businessman who headed the partnership that took over Aston Martin, has also emphasised that the British company will not necessarily remain a simple producer of its traditional type of vehicle. The company has assets in skilled engineering, he believes, that could be put to work in other directions; and its name is another under-utilised asset that could be more aggressively marketed—in, for example, limited-production models.

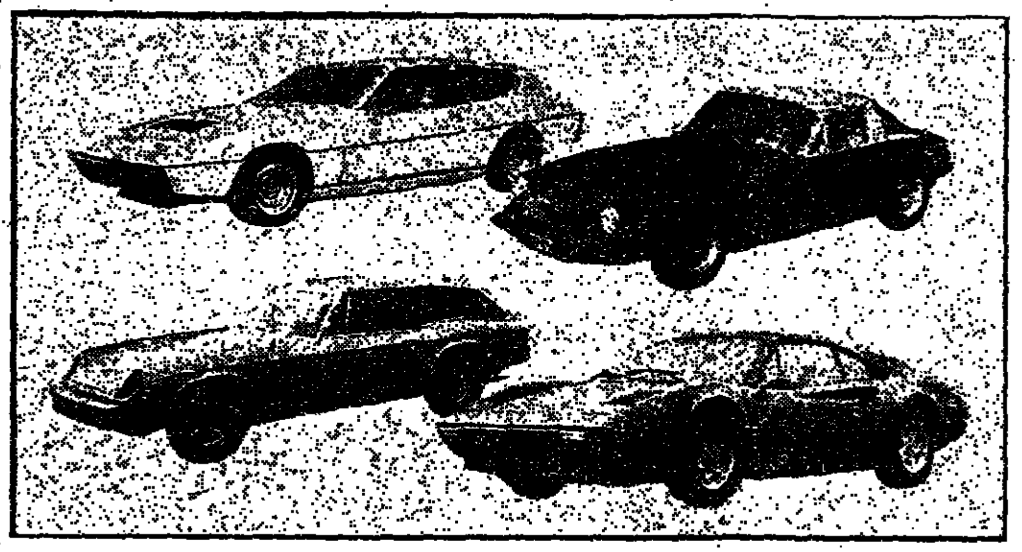
It is possibly true, as Mr. Sprague contends, that the industry has failed to grasp many of its marketing opportunities. Certainly, in a related sector of the quality car industry, Rolls-Royce has shown that strong marketing, combined with a maintenance of engineering standards can generate steadily growing sales even during a period of high inflation and frighteningly high prices: the limited-production Camargue, for example, now selling for £34,000 in the U.K., has gone over without a hitch in the market place, and Rolls-Royce last year produced more cars than ever before.

Yet another example of originality in the industry is a new British company called Panther Westwinds, founded only three years ago by a former fashion designer, Mr. Robert Jankel. Panther makes vehicles that look a though they might have come out of a vintage car show. In fact, the cars come with every modern convenience, down to Jaguar's six- or 12-cylinder engines, and Mr. Jankel has now progressed to a less rarified concept in the Rio, another highly luxurious model based on the Triumph Dolomite power train and undercarriage.

From beginnings in classic style in Mr. Jankel's garage only three years ago, Panther has become a moderately-sized manufacturer that will produce well over 100 cars this year—a figure that puts it within range of a smaller producer like Bristol. Basically the company derives its success from its flair for marketing and design: all the more complicated bits of engineering are bought in from outside suppliers.

This is already a well-tried concept among the specialised producers. Indeed, in Britain most of the small sports car producers use bought-in engines (Bristol and Jensen a Chrysler unit, and TVR the Ford 1.6 or 3-litre), while in Italy the ill-fated merger between Maserati and Citroen was designed to spread engineering costs between the two companies. Even Ferrari is now protected to some extent by its merger into the Fiat group. Part of Aston Martin's problem has been its dogged insistence on producing all important mechanical parts itself, justified on performance criteria, but done at immense cost.

Yet the Aston method can be successful. In Britain, for example, Lotus now makes virtually all the important mechanical parts, as well as its fibre glass bodies in-house. The engines and the cars are basically Lotus designs (though the new Esprit has been styled by the Italian Giugiaro), and even secondary items like suspension units and air conditioning are manufactured by the company itself.



Line-up of rich men's sports cars: the Lotus Elite (top left), the TVR 1600 (top right), the Jensen GT (bottom left) and the Ferrari 308 GT (bottom right).

Lotus is an unusual concern in retaining such independence to-day. Even more notable has been its move up-market, performed in the teeth of much criticism during the slump over the last two years which took its toll in the loss of £235,000 in the first half of 1975. The critics have argued that this is exactly the wrong direction for Lotus, built up as a cheap sports car company, to take: it has gone into a market for high performance vehicles priced between £6,000 and £9,000 when customers are increasingly looking for economy.

Lotus's tactics, however, have been to move into a better margin business while at the same time spreading its production costs with an integrated engine and body design. For example, it now has a range of three cars all using the same 2-litre engine, while two of its vehicles—the Elite and its coupé derivative the Eclat—share the same basic bodywork. The engine also gives reasonable economy — about 20 m.p.g. Clearly Lotus is now in a position to begin nibbling at the fringes of the executive market.

Like the rest of the industry, Lotus had clearly suffered over the past two years. Although it cut back its labour force earlier than most to cope with the recession in 1974, it made a loss of £235,000 pre-tax in the first half of 1975. Nevertheless, even though last year it was virtually entirely reliant on sales of the Elite—the first of its three new models—to keep it in being, it sold 876 cars world wide (383 in the U.K. and 375 in the U.S.), which puts it in the very first rank of sports car producers.

By comparison, Ferrari can make about 1,000 cars a year, Maserati 700, Lamborghini 400 and De Tomaso well over 300. In Britain, Jensen was set up in its hey-day to make about 1,000 Interceptors a year, and Aston Martin about 400 V8s.

Clearly when companies get this kind of size, while embracing a large amount of their own engineering and manufacturing, they build up overheads that can make them highly sensitive to market movements. This is what makes Lotus's particular gamble so interesting.

At the other end of the scale there are a few manufacturers, Bristol being the outstanding example in the U.K., that have deliberately restrained production in order to limit their exposure to market swings. A private business since 1961, when its then parent, the Bristol Aeroplane company merged into BAC, Bristol aims to make about three cars a week. Its main effort goes into marketing (it sells direct to all its customers), the car's aluminium bodywork and assembly. Both the 6.6 litre engine and gearbox are bought from Chrysler, and for its new 412 Italian-styled convertible-saloon it buys in the panels from Italy as well.

The Bristol approach to the market means that its cars have a certain caché to customers who want a machine that is clearly rare and different: and it also means better margins—the new vehicle sells for virtually £17,000.

It may be that production for these kind of performance orientated luxury vehicles will take a long time to reach the levels achieved in the late 1960s and early 1970s. But at the same time, there is no doubt that markets are beginning to look up again. American sales, a key factor for several manufacturers, are surging ahead again, the German and French markets are strong, and Italy recovering. The upswing is already apparent in the order books of several companies.

What remains to be seen is which company can cash in most effectively on the improvement. In Italy, De Tomaso is clearly set on a policy of integrating some of the manufacturing facilities of his own company and Maserati, while trying to retain the integrity of the latter: his stated view is that design will move in the direction of multi-purpose cars that give high performance but can be used for general motoring as well as racing down the autostrada.

The new owners of Lamborghini, the company that more than any other set the dramatic design standards for the Italian models of the last decade, have talked of diversifying into diesel engine manufacture. Sig. Enzo Ferrari, on the other hand, heading the Fiat subsidiary which has been given great support in its successful motor racing effort, still believes that superlative performance is of great importance. He has been quoted as saying that restrictions on top speeds will simply redirect interest into acceleration.

Turbocharged

Certainly Porsche, a pure sports car company that has not sought to copy the Italian "supercar" concept, has remained a very sizeable producer—it made 9,424 cars last year—despite cutbacks. And TVR, the British manufacturer of small, Ford-powered 1.6 and 3.0 litre sports cars, reports considerable interest in its new turbocharged version of its 3000 model.

As always, in the luxury car business, however, many of these manufacturers will be backing hunches: down the years it has been an industry dependent on highly inventive and entrepreneurial figures who set their own problems and found their own solutions. This year will begin to show whether the new breed of entrepreneurs who have taken on the sick companies can pull them round. Some, no doubt, will fail. But that is the price of taking risks: for this is one industry in which flair and originality still count for more than the pedestrian qualities of disciplined production.

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LEGAL NOTICES

No. 001301 of 1976

In the HIGH COURT OF JUSTICE Chancery Division Companies Court. In the Matter of MAINSTAY PROPERTIES LIMITED and in the Matter of The Companies Act, 1948.

NOTICE IS HEREBY GIVEN, that a Petition for the Winding up of the above-named Company by the High Court of Justice was on the 13th day of April 1976, presented to the said Court by BRECKON & BRECKON (a firm) of 5 King Edward Street, Oxford, and that the said Petition is directed to be heard before the Court sitting at the Royal Courts of Justice, Strand, London WC2A 2LL on the 17th day of May 1976, and any creditor or contributory of the said Company desirous to support or oppose the making of an Order on the said Petition may appear at the time of hearing, in person or by his Counsel, for that purpose; and a copy of the Petition will be furnished by the undersigned to any creditor or contributory of the said Company requiring such copy on payment of the regulated charge for the same.

BIRKBECK, MONTAGU'S & CO.,
7 St. Bride Street,
London, E.C.4.
London agents for
Henman Ballard & Co.,
6 Oxford Street,
Woodstock, Oxford.
Solicitors for the Petitioner.

NOTE.—Any person who intends to appear on the hearing of the said Petition must serve on, or send by post to, the above-named notice in writing of his intention so to do. The notice must state the name and address of the person, or, if a firm, the name and address of the firm and must be signed by the person or firm, or his or their solicitor (if any) and must be served, or, if posted, must be sent by post in sufficient time to reach the above-named not later than four o'clock in the afternoon of the 14th day of May 1976.

No. 001257 of 1976

In the HIGH COURT OF JUSTICE Chancery Division Companies Court. In the Matter of KARON SPORTSWEAR LIMITED and in the Matter of the Companies Act, 1948.

NOTICE IS HEREBY GIVEN, that a Petition for the Winding up of the above-named Company by the High Court of Justice was on the 9th day of April, 1976, presented to the said Court by SHA-RON FABRICS LIMITED whose registered office is situate at 35/37, Queensland Road, Holloway, N7 7AH in Greater London, and that the said Petition is directed to be heard before the Court sitting at the Royal Courts of Justice, Strand, London, WC2A 2LL on the 10th day of May, 1976, and any creditor or contributory of the said Company desirous to support or oppose the making of an Order on the said Petition may appear at the time of hearing, in person or by his counsel, for that purpose; and a copy of the Petition will be furnished by the undersigned to any creditor or contributory of the said Company requiring such copy on payment of the regulated charge for the same.

RAYNER & CO.,
Kingmaker House,
Station Road,
New Barnet, Herts., EN5 1RB.
(Ref.: G/1158/MF)
Solicitors for the Petitioners.

NOTE.—Any person who intends to appear on the hearing of the said Petition must serve on, or send by post to, the above-named notice in writing of his intention so to do. The notice must state the name and address of the person, or, if a firm, the name and address of the firm and must be signed by the person or firm, or his or their solicitor (if any) and must be served, or, if posted, must be sent by post in sufficient time to reach the above-named not later than four o'clock in the afternoon of the 7th day of May, 1976.

No. 001295 of 1976

In the HIGH COURT OF JUSTICE Chancery Division Companies Court. In the Matter of DARNELLIAN SHOE MARKETING LIMITED and in the Matter of The Companies Act, 1948.

NOTICE IS HEREBY GIVEN, that a Petition for the Winding up of the above-named Company by the High Court of Justice was on the 12th day of April 1976, presented to the said Court by CAVENDISH PUBLICITY SERVICE LIMITED whose registered office is situate at 34 Oxford Street, London W1N 9FL, a Company engaged in Advertising, and that the said Petition is directed to be heard before the Court sitting at the Royal Courts of Justice, Strand, London WC2A 2LL, on the 17th day of May 1976, and any creditor or contributory of the said Company desirous to support or oppose the making of an Order on the said Petition may appear at the time of hearing, in person or by his counsel, for that purpose; and a copy of the Petition will be furnished by the undersigned to any creditor or contributory of the said Company requiring such copy on payment of the regulated charge for the same.

MILNERS CURRY & GASKELL,
190 Fleet Street,
London EC4A 2JX.
(Ref: AGM).
Solicitors for the Petitioner.

NOTE.—Any person who intends to appear on the hearing of the said Petition must serve on, or send by post to, the above-named notice in writing of his intention so to do. The notice must state the name and address of the person, or, if a firm, the name and address of the firm and must be signed by the person or firm, or his or their solicitor (if any) and must be served, or, if posted, must be sent by post in sufficient time to reach the above-named not later than four o'clock in the afternoon of the 14th day of May 1976.

No. 001306 of 1976

In the HIGH COURT OF JUSTICE Chancery Division Companies Court. In the Matter of DAVID WOOD (FRUIT SALES) LIMITED and in the Matter of The Companies Act, 1948.

NOTICE IS HEREBY GIVEN, that a Petition for the Winding up of the above-named Company by the High Court of Justice was on the 13th day of April 1976, presented to the said Court by CITRUS MARKETING BOARD OF ISRAEL whose principal place of business in England is at 122/124 Victoria Street, London SW1E 5LA, and that the said Petition is directed to be heard before the Court sitting at the Royal Courts of Justice, Strand, London WC2A 2LL, on the 17th day of May 1976, and any creditor or contributory of the said Company desirous to support or oppose the making of an Order on the said Petition may appear at the time of hearing, in person or by his Counsel, for that purpose; and a copy of the Petition will be furnished by the undersigned to any creditor or contributory of the said Company requiring such copy on payment of the regulated charge for the same.

MACDONALD STACEY & CO.,
7 & 8 Kings Bench Walk,
Temple,
London EC4Y 7DT.
Solicitors for the Petitioner.

NOTE.—Any person who intends to appear on the hearing of the said Petition must serve on, or send by post to, the above-named notice in writing of his intention so to do. The notice must state the name and address of the person, or, if a firm, the name and address of the firm and must be signed by the person or firm, or his or their solicitor (if any) and must be served, or, if posted, must be sent by post in sufficient time to reach the above-named not later than four o'clock in the afternoon of the 14th day of May 1976.

PUBLIC NOTICES

CITY OF DUNDEE DISTRICT COUNCIL

£1.3m. bills issued April 21, 1976 due October 20, 1976, at 8⅝% p.a. Tenders totalled £9.6m. No others outstanding.

WALSALL METROPOLITAN BOROUGH COUNCIL

£3,200,000 Bills issued 21st April, 1976, due 21st July 1976 at a rate of 8⅞%. Applications totalled £32,500,000. These are the only Bills outstanding.

GRIMSBY BOROUGH BILLS

£400,000 Bills issued April 14, 1976, due July 14, 1976 at 8⅞%. £4.4 million applied for. £400,000 Bills outstanding.

GENERAL APPOINTMENTS

Confidential Reply Service

Management Information

Financial Analysis

Banking

Our client is one of the largest international banks in the world and the London Branch, its largest single branch, employs over 800 people. It is particularly active in the areas of commercial lending, the wholesale money market and foreign exchange. The Bank is committed to a programme of improved management information planning and financial analysis and wishes, therefore, to recruit professionals to the following positions:

1. Budget & Planning:

To develop, maintain and analyse the Branches' rolling budget and long range planning systems.

A young accountant or business school graduate, sensitive to the business underlying the figures, would be ideal for this position.

2. Cost Systems:

To refine and develop a sophisticated product costing system throughout the Branch. The successful candidate would be working closely with the Head Office Cost and Standards Division.

A Cost and Management Accountant who can demonstrate success in development work and the ability to work with staff at all levels would be ideal for this position.

3. Special Projects Accountant:

To work in a small group who will work mainly on special analytical projects and accounts policies and procedures for the Branch.

A newly-qualified accountant or business school graduate would be ideal for this position.

The Bank has a young and enthusiastic management team and it is likely that similar men or women would be successful in these jobs.

Competitive salaries are paid by the Bank which also offers the normal attractive fringe benefits of the banking industry.

If you would like to know more, please write, in confidence, with full career details to William C. Offord at the address below, quoting reference MIB/153/FT. On a separate sheet please list those companies to whom you do not wish your reply to be forwarded.

B&B

Benton & Bowles Recruitment Limited 197 Knightsbridge, London SW7

Financial Administrator

Required by Leading Firm of Manchester Solicitors

In Modern City Centre Offices

The applicant should have a suitable professional qualification and the ability to tackle with enthusiasm a wide range of financial and administrative duties including overall organisation of the Accounts Department, full provision and interpretation of financial data advising the partnership on financial policies and contributing to the development of those policies within the sphere of a rapidly expanding practice.

The attractive salary will be in accordance with experience and qualifications.

Applications enclosing full curriculum vitae should be made in writing to:

E. Ross Esq.,
LINDER MYERS,
29 John Dalton Street,
Manchester M2 6FW

UNDERSTANDING BRITISH INDUSTRY PROJECT

Appointment of Director

Applications are invited for the post of Director of this major new project, aimed at developing general understanding of industry in schools.

The project will include a resource centre, a materials development and courses programme, the appointment of regional staff, and close liaison with other relevant bodies. It is being funded by industry, with the support of CBI but separate from it.

The Director's responsibilities will involve initiating constructive working relationships between schools and industry with a view to assisting teachers, particularly of the 13-18 age group, in providing information about the nature and functions of present-day industry.

Applicants should hold a good degree, have a significant record of achievement in industry or commerce, some experience of teaching, and the personal qualities needed to lead this important initiative. Salary in the region of £10,000 per annum.

Further information and application forms available from:

Mrs. J. Aram,
UBI Project
21 Tothill Street, London SW1H 9LP.

INVESTMENT ANALYST

There is a vacancy for a trainee or junior Investment Research Analyst with good qualifications in our research department. The department covers a wide spread of U.K. and International companies and is essentially market orientated. Candidates should send extensive details of their qualifications, experience, interests and ambitions to:

I. D. M. Chalmers,
Wedd Durlacher Mordaunt & Co.
Austral House,
Basinghall Avenue, London E.C.2.

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The South African [...] requires senior f[...] writers to work in J[...] its Business Times secti[...] are invited from wri[...] experience in their [...] generate news ideas ar[...] comment on trends. In [...] 28th and 29th April. [...] Apply first to R. T[...] African Morning News[...] Street, London, E.C.4[...]

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GRAIN OR OILS T[...] Belgium, substantial [...] METAL DEALER [...] W. London c. £6,000 p[...] MODITY ACCOUN[...] (City based c. £4,[...] CHEMICAL TRADE[...] p.a. basic. GRAIN [...] or European experien[...] SHIPPING MANAGE[...] pany W. London c. £[...] TRAINEE (Physical, [...] starters). Write or T[...] Appointments, 9 [...] Street, London W.C.[...] Recruitment specialis[...] modity Markets.

UNIVERSI[...] APPOINT[...]

London School [...]
University [...]
LECTURESHIP IN [...] SCIENCE OR [...]

Applications are [...] manent or tempo[...] from 1 October [...] as convenient therea[...] ship in Actuarial Sc[...] Candidates must h[...] gree in mathematics[...] ference will be gi[...] in addition have [...] mediate Examinatio[...] of Actuaries or whe[...] fications or interest[...] ance. The lecturer v[...] tunity to teach [...] Actuarial Science ar[...] ing to qualification[...]

The salary scale [...] £3,174-£6,446 plu[...] London Allowance [...] benefits under USS. [...] starting salary cor[...] given to qualificati[...] perience. The lectu[...] aged to engage in [...] work.

Applications shou[...] later than 19th Ma[...] ministrative Office[...] The London School [...] Political Science, [...] Aldwych, London [...] whom further info[...] cation forms may [...]

WANTED

COMMERCIAL OR FI[...] tunity sought by Sc[...] able to offer unlimi[...] er of an outstandin[...] and wide commerci[...] Box A.5527, Financi[...] Street, EC4P 4BY

Joan de Smith & Partners

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Are you........ *a leading economic scientist wi[...]*

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Please contact Derrick Brace on 01-584 6133 (24 hour li[...] service) for a preliminary confidential discussion quoting refe[...] or write to: 25 Ranelagh House, Elystan Place, London SW3.

LOCAL AUTHOR[...] LOAN DEALER[...]

An experienced dealer in the local a[...] short term loan markets is required t[...] firm of stockbrokers.

Candidates should write to:
Box A5526, Financial Times
10 Cannon Street, EC4P 4BY

Medium-sized firm of London Stockbrokers are c[...] appointment of a new

HEAD OF RESEARC[...]

The successful applicant will be responsible fo[...] compact research team to service the Firm's exp[...] client department. The Firm already has a[...] Institutional Research team covering two speci[...] the market. The Private Client Department is t[...] of the Firm's business and the appointment offer[...] scope to develop the research function within [...] equity partnership is envisaged in due course.

Replies in strictest confidence to: Administr[...] Box A.520, Financial Times, 10, Cannon Street, E[...]

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ENERAL APPOINTMENTS

HEAD OF INVESTMENT RESEARCH
City

)ur clients are a medium firm of stockbrokers, who are implementing successfully a policy of planned expansion. They require a Head of Research Department to manage and develop an established research function servicing institutional and private clients.

He will have a proven record as an investment analyst and is likely to have successfully managed a Research Department either in stockbroking or a financial institution. He must be capable of originating and developing research policies and will be an essential part of an expanding and successful team of institutional and private client stockbrokers.

A degree or professional qualification is desirable. Candidates should be in the age range 30 to 45. Salary will be negotiable around £10,000 + bonus and there are excellent prospects.

Please send a detailed career resume, including salary history and quoting ref. 313, to:

W. L. Tait, Touche Ross & Co.,
Management Consultants,
Executive Selection Division,
4 London Wall Buildings, London EC2M 5UJ.
Tel: 01-588 6644.

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major International manufacturing company in a fast moving consumer goods industry, which is expanding rapidly by aggressive acquisition and diversification, requires a

EGIONAL GENERAL MANAGER

is a unique new appointment with considerable potential for an executive of PROVEN ability, which should include market and financial planning, and a knowledge of the procurement of human and material resources. Net divisional sales already exceed $6,000,000 and are growing rapidly.

client is looking for a leader with energy and tact who besides being an accomplished businessman is able to communicate easily at all levels in this widely spread area. Production experience and linguistic ability would be advantageous. A very attractive package of fringe benefits includes furnished house, car, educational allowances, home leave, pensions, etc.

os Aged about 40 Salary circa $24,000

further details in complete confidence please contact

Robin R. Whalley
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Calder House, 1 Dover Street, London W1X 3PJ
Cables: Interrapt London Tel: 01-629 6867

Assistant Manager
International Banking

£6500 - £8500 City

Our client is a leading London Merchant Bank, whose services and interests span the whole range of commercial and industrial activities both in the UK and throughout the world.

This appointment will be responsible to the Senior Manager for the development of new and profitable banking business in the USA and Europe and for servicing existing clientele. He or she will also maintain a close liaison with the Bank's overseas offices; considerable travel will be necessary.

The Bank is looking for someone, probably aged 28–35, who has had at least 3–4 years' experience in a prime US Bank or a Merchant Bank, possessing a university degree and/or a relevant professional qualification and who has the maturity and motivation necessary to seek out and negotiate profitable new business at a senior level.

The starting salary is negotiable in the range £6500–£8500, there is a contributory pension scheme, free life assurance and a house mortgage facility: assistance with removal expenses will be considered if necessary.

Please write giving full but concise details of your age, qualifications, career history and salary progression, stating the names of any organisations to whom your letter should not be forwarded, to:

Brian M. Doyle, Selection Consultant (Ref. 727).

Whites

Whites Recruitment Limited 72 Fleet Street, London EC4Y 1JS
Offices/Associates: Amsterdam, Bristol, Brussels, Dusseldorf, Leeds, Manchester and Wolverhampton

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Figureheads

Accountancy and Executive Recruitment

INTERVIEWS BY APPOINTMENT ONLY

Tel: 01-486 4041

The Economist A BUSINESS CAREER

INTERNATIONAL SALES

The world's leading International Newspaper wishes to add to it's advertisement sales staff. The position involves negotiating the sale of advertisement space to advertising agencies and at the highest level to potential clients, both in the U.K. and Europe. A high standard of education is essential and fluency in German or at least one European language other than English is necessary. The position will appeal to experienced sales representatives under 30 years of age, and also to ambitious young persons wishing to start a career in the advertising industry as full training will be given. Salary is negotiable and will reflect this responsible position, a company car is provided. Please write or telephone for interview application form to Caroline Rose, Advertisement Department, The Economist Newspaper Ltd., 25 St. James's St., London SW1. Tel. 01-930 5155.

EMA

OVERSEAS TARIFFS ADVISER

London NW1 Circa £7,000 + car + 5 weeks' holiday

client is a major quoted engineering concern ranking third in its industry in Europe. Over total production is exported.

Adviser will be the company's specialist on customs legislation in most of the countries of the world. Reading and interpreting all relevant legislation, the Adviser will apply this knowledge to solve practical problems.

Advice will be sought on the form in which products should be exported, and the Adviser will negotiate with embassies and overseas government departments on this and related topics.

There are good promotion opportunities in this and elsewhere in the taxation department.

Preferably aged 27-40, applicants (male or female) must have practical experience in this field, per as a part of their current or previous job ent.

Please apply to Graham Webster, A.C.A., M.B.A., quoting reference 1/679

E.M.A. Management Personnel Ltd.
Halton House, 20/23 Holborn
London E.C.1
01-405 8342/3

European Managing Director

Up to £10,101 + car

Wespac is a multi-national computer supply company seeking an unusual executive for the top management role.

The person chosen must exhibit competitive spirit and self-motivated action to achieve market dominance for the Company's products.

He also needs a creative imagination that can direct company resources to discover unexplored market potential for new products.

A good working understanding of French and/or German is more than desirable.

Generous salary and unusually high incentive programme for superior performance can be expected.

Reply by hand written letter with CV to:

Chairman,

WESPAC

7-11 French Place,
London E1 6JB
Member of Kenrick+Jefferson Group

PERSONAL SECRETARY

The chairman of a leading firm of stockbrokers is seeking a well educated experienced secretary with an attractive personality aged 25-35. Applicant must enjoy hard work and be capable of standing up to pressures and taking own initiative in emergencies. Stockbroking knowledge is not essential but flair for organisation and a good sense of humour is vital. Predecessor has stuck it for 12 years, but has now succumbed to matrimony. Salary around £3,000 depending upon experience.

Please apply to Box A.5519.
Financial Times, 10, Cannon Street, EC4P 4BY.

Food & Chemical
vestment Analysts

& Cruickshank, Members of The Stock Exchange, are seeking two additional research to cover the food and chemical and complement existing research expertise. Applicants should have spent at least two in investment research or be qualified training and experience in these ies. The analysts will be expected to visit ies regularly and be given considerable to develop institutional business within sectors.

ary and benefits will fully reflect the candi-experience and potential.

Replies, in confidence, to:
J. P. Southwell Esq.
Laing & Cruickshank.
(Members of The Stock Exchange)
15th Floor,
The Stock Exchange,
London EC2N 1HA

AUSTRALIAN OPTIONS MARKET

The Exchange Traded Option Market has now been successfully operating in Sydney for some 3 months.
Because of the need to maintain market liquidity a market professional, known as a Registered Trader, has been introduced to the trading system. Their duties are identical to the "Market Maker" on the CBOE.
A similarity of functions exists between a Jobber and a Registered Trader. However, the Australian Stockmarket, because they never have pursued a Jobbing or similar system, have relatively few experienced personnel to perform this new role.
Consequently exceptional opportunities exist for persons skilled in making markets to develop their talents and expand their incomes.
We are a Member Firm of the Sydney Stock Exchange, specialising in Exchange traded options and are seeking professionally experienced market personnel to be active Registered Traders.
The successful applicants will have
— to reside in Sydney
— a strong and sustaining desire to be in business on their own
— some capital to finance their operations
Applications will be treated in the strictest confidence and should be addressed to:
Mr. G. Moore,
22/24 Basil Street,
Knightsbridge, SW3.
or if telephone enquiry preferred 01-589 5171 Ext. 242.

NSTITUTIONAL SALES
Equities and Fixed Interest

a major firm of London Stockbrokers with first institutional and industrial contacts, and we are for 2 specialist sales staff.

appointment is to our existing Institutional desk, which is, of course, closely supported by competent Research analysts. The second is for a specialist in Debentures and Loan to join our present team.

an opportunity for 2 individuals of proven getting ability to share in the expansion of business, the further potential for which is t.

will be by negotiation, and will fully reflect importance of these appointments.

reply, giving a brief C.V., to:
525
al Times,
non Street, EC4P 4BY

NORWICH BUILDING SOCIETY
GENERAL MANAGER

The Society invites applications for this position which will become vacant upon the forthcoming retirement of the present General Manager.

Professional qualifications and personal experience of Building Society management at a high level are needed.

Applications should be addressed to: The General Manager, Norwich Building Society, St. Andrew's House, Norwich, NR2 4TR—marked "Personal."

CONTRACTS AND TENDERS

IRISH INTERVENTION AGENCY
Invitations to Tender - Food Aid

Tenders are invited for the supply of 2,300 metric tons of Soft Wheat (wheat other than durum) in bulk and delivery f.o.b. to any EEC port. The consignment is destined as National Food Aid under the Food Aid Convention for Syria. Delivery terms may be obtained from the Irish Intervention Agency, Department of Agriculture and Fisheries, Agriculture House (Development Division IE), Dublin 2. (Telephone Dublin 789011, Extension 2189 or 2240).

TENDERS SHOULD BE SUBMITTED BY 12 NOON ON FRIDAY, 30th APRIL, 1976.

COMPANY NOTICES

UNILEVER N.V.

CERTIFICATES FOR ORDINARY SUB-SHARES OF FL. 12 ISSUED BY N.V. NEDERLANDSCH ADMINISTRATIE- EN TRUSTKANTOOR

NOTICE IS HEREBY GIVEN that the REGISTER of Certificates for Ordinary Sub-Shares registered in the name of Midland Bank Executor and Trustee Company Limited now MIDLAND BANK TRUST COMPANY LIMITED will be CLOSED from 7th May, 1976, to 20th May, 1976 both dates inclusive.

Exchanges of Bearer Certificates and Unilever N.V. New York Shares for Sub-Share Certificates and vice versa after the close of business on the 6th May, 1976, will be on "Ex Dividend" basis.

N.V. NEDERLANDSCH ADMINISTRATIE- EN TRUSTKANTOOR
London Transfer Office:
Unilever House
Blackfriars,
London EC4P 4BQ.
21st April, 1976.

TIGER OATS AND NATIONAL MILLING COMPANY LIMITED
(Incorporated in the Republic of South Africa)

FINAL DIVIDEND NO. 62 ON THE ORDINARY SHARES

Further to the dividend notice advertised in the Press on the 8th March, 1976 the conversion rate applicable to payments in United Kingdom currency in respect of the abovementioned dividend is £1 = R1.625605, equivalent to 13.858050 per share.

The effective rate of South African Non-Resident Shareholders Tax is 15 per cent.

For and on behalf of
ANGLO AMERICAN CORPORATION OF SOUTH AFRICA LIMITED
London Secretaries
D. H. J. Pattison

London Office:
40 Holborn Viaduct,
EC1P 1AJ.
Office of the United Kingdom Transfer Secretaries:
Charter Consolidated Limited,
P.O. Box 102,
Charter House,
Park Street,
Ashford, Kent.
TN24 8EQ
20th April, 1976.

CHILEAN EXTERNAL LONG TERM DEBT—LAW NO. 8962

Chilean 5% loan 1911 (2nd series)
NOTICE IS HEREBY GIVEN that a Drawing of Bonds of the above loan took place on 13th April 1976, attended by Mr Keith Francis Croft Baker of the firm of John Venn & Sons, Notary Public when the following bonds were drawn for redemption at par on 1st May 1976, from which date all interest thereon will cease:—

7 Bonds of £1,000 Nominal Capital each
Numbers
74 308 312 349 538 662 1063

8 Bonds of £500 Nominal Capital each
Numbers
1570 1676 1730 2033 2232 2300 2575 3012

157 Bonds of £100 Nominal Capital each
Numbers

3608	4114	4705	4813	4814	4989
5037	5367	5479	5910	6149	6156
6157	6161	6244	6319	6450	6543
6826	7095	7373	7431	7494	7583
7622	7765	7951	8052	8177	8252
8329	8360	8457	8501	8519	8792
8935	8988	9090	9163	9177	9428
9443	9739	10019	10036	10220	10269
10317	10375	10448	10583	10775	10930
11018	11040	11184	11259	11425	11464
11726	11849	12033	12040	12051	12661
12746	13004	13031	13032	13510	13967
14024	14126	14295	14366	14385	14387
14812	14880	14919	15346	15382	15446
15517	15658	15749	16370	16613	15743
16904	17213	17418	17614	17747	17834
17963	18087	18088	18287	18293	18321
18322	18763	18781	18829	18958	19234
19357	19447	19603	19708	20035	20097
20230	20321	20496	20544	20575	20609
20724	20886	21130	21220	21241	21448
21587	21658	21659	21891	21995	22093
22196	22564	22951	22953	23001	23312
23313	23440	23662	23949	24059	24426
24531	24684	24867	24868	24992	25264
25562	25851	25995	26400	26556	26605
26870					

50 Bonds of £20 Nominal Capital each
Numbers

27573	27848	27954	28365	28648	28968
28980	29071	29273	29520	29660	29836
30032	30096	30322	30392	30396	30740
30868	30869	30970	30924	30980	30983
30986	30987	31007	31016	31017	31073
31033	31034	31039	31042	31136	31148
31181	31193	31245	31397	31621	31880
31986	32064	32189	32249	32262	32320
32325	32413				

222 Bonds amounting to £27,700 nominal capital.
Witness.
K. F. C. Baker, Notary Public.

Each of the above bonds when presented at the office of N. M. Rothschild & Sons Limited for redemption must bear the coupon dated 1st November 1976 and all subsequent coupons, otherwise the amount of the missing coupons will be deducted from the principal to be repaid.

The usual interval of four clear days will be required for examination.
New Court,
St Swithin's Lane
London EC4P 4DU.
22nd April 1976.

STATE LOAN OF THE KINGDOM OF HUNGARY

7½% (NOW 1.1—2.75 PER CENT) STERLING BONDS 1924

N. M. ROTHSCHILD & SONS LIMITED announce that the Coupons due 1st May 1976 from bonds which have been assented in London to the 1968 Offer may now be lodged with them listed on the special forms which can be obtained on application.

Coupons will be received on any business day and must be left for an appropriate period for examination.

Coupons must be handed in personally and cannot be accepted through the post.

New Court
St. Swithin's Lane
London EC4P 4DU.
22nd April 1976.

CLUBS

EVE, 189, Regent St. 734 0557. A la carte or All-in Menu. Three spectacular Floor Shows 10.45, 12.45, 1.45 and music of Johnny Hawkesworth and Friends.

GARGOYLE, 69 Dean Street, London, W.1. STRIPTEASE FLOORSHOW SEX UNLIMITED. Show at midnight and 1 a.m. Hostesses. Monday-Friday. Closed Sats. 437 6455.

THE GASLIGHT, 4 Duke of York St. SW1. Day 01-734 1071, after 8 p.m. 01-930 1648. Relax at The Gaslight tonight and be entertained by us, with some of the most appealing Cabaret in London. Comfortable and friendly company, all amidst elegant Edwardian surroundings. We open at 8 p.m.

APPOINTMENTS

Executive posts at Unigate Dairies

With the forthcoming retirement of Mr. G. M. Lyall, finance director of UNIGATE DAIRIES, Mr. J. A. Lee, currently East Region financial controller and deputy region director, has been appointed finance director designate and will assume full responsibility for that function from July 19. Mr. F. E. Collins, transport director, is also to retire. Mr. P. G. Wakeham, currently North Region transport manager and deputy region director, will be appointed transport director designate from May 1, and will assume full responsibility from June 1.

★

Mr. A. K. Rawlinson has been appointed Second Permanent Secretary, DEPARTMENT OF INDUSTRY, in succession to Sir Peter Carey, whose appointment to succeed Sir Antony Part as Permanent Secretary, Department of Industry, from July 1 was announced in March.

★

Dr. Reva Gerstein has been elected a member of the Board of Directors of the INTERNATIONAL NICKEL COMPANY OF CANADA. Dr Gerstein, a distinguished psychologist and educator, and the first woman to be elected an Inco director, is also a director of McGraw-Hill Ryerson, CJRT—FM Inc. and Avon Products.

★

Mr. R. A. Hart has been appointed to the Board of INTERNATIONAL TIMBER CORPORATION.

★

MINISTRY OF DEFENCE. Mr. Alistair R. M. Jaffray is to be Deputy Under Secretary of State (personnel and logistics) and Mr. Reginald Anderson Deputy Under Secretary of State (air systems) (procurement executive).

★

Mr. M. J. Williamson will join the partnership of PINCHIN, DENNY AND CO., stockbrokers, from May 1.

★

Mr Charles E Jessop has been elected president and chairman of the CHELTENHAM AND GLOUCESTER BUILDING SOCIETY in place of Mr. Bernard P. Ward, who has retired and has been elected vice-president.

★

Mr. S. D. Aitken has been appointed a production director of LEC REFRIGERATION.

★

Mr. Clifford L. Arundale has been elected chairman of the CHESHIRE AND NORTHWICH BUILDING SOCIETY in succession to Mr. W. Eric Whiston, who had held the office since 1964. Mr. Arundale, a director of the society for 12 years, is deputy chairman and joint managing director of Kenneth Lowe Holdings. Mr. Bill Lawton, who has been with the Society for 31 years, has been elected vice-chairman. Mr. Gordon Cross has retired from the Board, also after more than 50 years with the society.

★

Mr. R. W. Barney has been appointed a director of LLOYD'S LIFE ASSURANCE COMPANY.

★

Mr. George F. Clegg has been appointed director—Europe for MONSANTO POLYMERS AND PETROCHEMICALS COMPANY, based at its European headquarters in Brussels. Mr. Clegg moves to Brussels from Barcelona, where he was general manager of Ascende ISA, an associate company.

★

Mr. A. A. Watt, director of finance of AURORA HOLDINGS, has been appointed assistant group managing director to succeed Mr. B. C. Hilton who has relinquished that position to concentrate on his consultancy business. Mr. Hilton remains chairman of Skerne Engineering, an Aurora subsidiary.

★

Miss R. E. Blackburn has been appointed to the Board of LANBURYS ASSOCIATES.

★

Dr. Paul Wallace has been appointed director of research and development with STANDARD PRESSED STEEL, which trades in the U.K. under the name of UNBRAKO.

HOME CONTRACTS

Barratt has £2.4m. building work

BARRATT DEVELOPMENTS (NORTH WEST) has concluded a £2.4m. agreement with the Metropolitan Borough of Wigan to provide 384 new homes in the Kitt Green and Aspull areas. Construction is already under way and it is planned for the first family to take occupation at Kitt Green before the end of May. From then, the programme will be geared to housing a family a day.

★

B. B. KIRK (CONSTRUCTION), Skipton, Yorks., part of the Charles Hill of Bristol group, has been awarded contracts totalling £3.5m. They include work for the North-West Water Authority amounting to £1.26m., comprising extensions to sewerage works at Winsford, Cheshire (£328,000); a new sewerage works and main drainage at Ribchester, Lancs. (£730,000); and a new spillway at Earnsdale, near Darwen, Lancs. (£210,000). Other work includes an extension to the Skipton Building Society's head office at Skipton costing £1.2m.; a new police headquarters at Colne, Lancs. (£620,000) and sheltered housing for the Johnnie Johnson Housing Trust at Batley, Yorks. (£300,000).

U.K. ECONOMIC INDICATORS

General	Unit	1976 Mar.	1976 Feb.	1976 Jan.	1975 Mar.	1975 Feb.
Unemployed§	'000s	1,284.9	1,304.4	1,430.3	768.4	757.1
Unfilled vac'ns.	'000s	106.9	99.4	88.8	352.3	351.6
Currency resrvs.	$bn.	5.905	7.024	6.785	7.117	7.064
Bank advncs: b	£bn.	14.080	14.317	14.488	n.a.	n.a.
Basic matrls. d	1970=100	273.2	263.4	261.0	221.9	218.8
Manfd prods. d	1970=100	208.4	207.2	204.8	179.0	175.9
Terms of trade	1970=100	81.4	81.3	81.0	78.1	78.0
Retail prices	Jan.'74=100	150.6	149.8	147.9	124.3	121.9

		1976 Feb.	1976 Jan.	1975 Dec.	1975 Feb.	1975 Jan.
Wage rates	July'72=100	203.9	200.7	197.0	124.0	123.0
Retl sales val.**	1970=100	189.6	193.2	186.4	166.7	165.8
HP debt§	£m	2,296	2,299	2,320	2,284	2,303
Indust. output	1970=100	101.4	100.5	98.8	105.0	105.5

Trade and Industry		1976 Mar.	1976 Feb.	1976 Jan.-Mar.	1975 Mar.	1975 Jan.-Mar.
Imports f.o.b.	£bn.	1.926	2.005	1.961	1.687	1.769
Exports f.o.b.	£bn.	1.907	1.759	1.814	1.568	1.530
Visible trade balance	£bn.	−0.019	−0.246	−0.146	−0.119	−0.239
Steel (weekly average)	'000 tonnes	453.6	450.1	432	492.7	484.2

		1976 Feb.	1976 Jan.	1976 Jan.-Feb.	1975 Feb.	1975 Jan.-Feb.
Cars*	'000s	134	97	116	142	133
Comm vehicles*	'000s	33.3	29.6	30	38.6	38
Bricks*	millions	415	438	427	396	399
Cement (weekly average)*	'000 tonnes	282	257	270	312	296
T.V. sets††	'000s	172	176	174	234	248
Radios, Radiograms‡‡	'000s	414	443	428.5	301	353
Man-made fibres*	m. kgs.	52.32	53.33	52.8	42.6	42.39

		1976 Jan.	1975 Dec.	1975 Jan.-Dec.	1974 Jan.	1974 Dec.
Houses completed¶	'000s	23.9	28	26	22.2	24.3
Furniture‡**	1970=100	160	149	154.8	149	134
Petroleum†	m. tonnes	7.08	7.73	6.72	8.33	8.34
Hosiery**	1970=100	92	79	94	92	83
Elec. cookers f	'000s	62.2	63.7	78.8	80.2	75.0
Washing mchns.	'000s	70	40.5	77.9	83.9	55.7

		1975 Dec.	1975 Nov.	1975 Jan.-Dec.	1974 Dec.	1974 Jan.-Dec.
Raw cotton (weekly av.)	'000 metric tonnes	1.70	2.32	2.09	1.91	2.26
Raw wools	m. kilos	9.3	9.7	9.2	7.7	9.4
Engnrg (orders on hand)**	1970=100	99	100	111.2	128	135.3
Machine tools†	£m.	27.3	26.4	25	20.9	20.9

		4th qtr.	3rd qtr.	Year to date	4th qtr.	Year
Consumer spending	1970 values	8.790g	8.814	35.645	9.057	35.741
Motor trade turnover	1972=100	153	151	146.5	121	119
Bldg. and civil engineering" e	£bn.	2.958g	3.056	12.017	2.556	10.220

* Production. † Deliveries. ‡ Net sales. § Consumption. ** Seasonally adjusted. †† All manufacturing industries. ‖ Excluding car radios. ‡‡ Deliveries, U.K. made and imported sets. b From May, 1975, onwards new basis of calculation refers to advances to U.K. public and private sector. Historical figures on new basis not available. d Prices. f Including cooker griller toasters. e Value of output. ¶ United Kingdom not seasonally adjusted. g First preliminary estimate.

Below the best in early trading

BY OUR WALL STREET CORRESPONDENT

NEW YORK, April 21.

THE RISE continued in fairly active trading on Wall Street to-day, although best levels were not always held.

After moving ahead almost eight points to the area of 1,011—and above the 1,009-21 closing peak for this year set on March 24, the Dow Jones Industrial

Closing prices and market reports were not available for this edition.

Average, partially reacted to 1008-45 by mid-day, for a net gain of 2.99. The NYSE All Common Index further advanced 16 cents to $54.92, while twice as many

TUESDAY'S ACTIVE STOCKS

	Stocks traded	Closing price	Change on day
Polaroid	331,900	37¾	+4¾
Chrysler	270,300	21⅛	−⅛
Gulf Oil	216,300	25⅜	+⅛
Xerox	255,300	54⅛	−2
Citicorp	239,700	33⅝	−⅝
Texaco	239,000	26⅞	+⅛
Amer. Tel. Tel.	231,600	58¼	−⅛
Merrill Lynch	211,400	27¼	+1½
Westinghouse Elec.	206,700	15⅞	−⅛
Ford Motor	204,500	60⅞	−⅛

issues advanced as declined. Trading volume expanded 2.72m. shares to 12.58m., compared with noon yesterday.

Analysts said strength was fuelled by the recent flow of favourable economic and Corporate news, and fresh signs that inflation continues to moderate.

The Labour Department said that over the past three months the Consumer Price Index has risen at a compound annual rate of only 2.9 per cent., the smallest quarterly increase in nearly four years.

Motorola picked up $1⅝ to $53, following first quarter per share profits more than double that of a year earlier.

Halliburton moved ahead $1⅞ to $152¾, Teledyne $1 to $49⅞, United Technologies $1¼ to $64¼, Pullman $1½ to $35¾ and North American Philips $1¼ to $29¼.

Time climbed $1⅝ to $63½.

Norton Simon, by far the most heavily traded issue, advanced $⅞ to $20¼ on over 350,000 shares.

Eastman Kodak, also active, held unchanged at $113⅞. Yesterday, it introduced a line of instant cameras, marking its long-awaited entry into instant photography —a field dominated by Polaroid, which fell $⅞ to $36⅞.

Houston Natural Gas, a strong performer on the most active list, rose $1¼ to $33¾.

Tyre Manufacturers were steady to fractionally higher despite a strike, which began at mid-night, against major tyre makers.

But National Semiconductor fell $1½ to $47⅞.

TRW gained $½ to $33 on a "large increase" in first quarter net earnings.

Nabisco rose $⅞ to $40¾, reflecting higher profits.

The American SE Market Value Index rose 0.38 to 103.84, while turnover approximated 1.31m. (1.0m.) shares.

OTHER MARKETS

Canada still higher

With the exception of Banks, which shed 0.44 to 249.43 on index, Canadian Stock Markets continued to move up in active trading yesterday morning.

The Industrial Share Index rose 1.00 to 193.10, Golds 1.67 to 280.27, Base Metals 0.68 to 89.58, Western Oils 2.75 to 221.06, Utilities 0.44 to 139.66 and Papers 3.3 3to 129.53.

Falconbridge Nickel gained $1⅞ to $41 and Texasgulf $⅞ to $34¼.

But Great-West Life were off $1⅛ to $54¼.

Among Western Oils, Bow Valley put on $⅞ to $22¼.

PARIS—Generally lower, with investors disappointed by the Government's Capital Gains Tax project and its possible effects on the Bourse.

Most sectors lost ground, with Foods sharply lower. Electricals and Metals were mixed to easier, while Hotels were steady.

In the Foreign sector, Americans gained ground, following Wall Street's overnight strength. Germans and International Oils weakened. Dutch issues and Coppers were mixed, while Golds firmed.

BRUSSELS — Mixed in quiet Account day trading.

RTZ were particularly firm in generally higher U.K. issues. Eastman Kodak fell in otherwise higher U.S. stocks.

Gold Mines were firmer.

AMSTERDAM—Shares generally advanced, but Dutch Internationals finished mixed.

The broad rise elsewhere was led by Insurances and most Shippings.

Small losses against the general trend included Hal, Deli, Amro, Fokker, Van Berkel and Giessen. Bols shed Fl.1 to 109 but Heineken gained Fls.0.90 to 144.

State Loans firmed.

GERMANY—Shares declined on lack of buying interest.

Banks shed up to DM3.50, while leading Chemicals, Engineerings and Motors were generally DM1.50 lower. Electricals were little changed.

Krauss-Maffei, an exception to the general trend, moved up DM15 after losing DM10 on Tuesday.

The Domestic Bond Market mostly eased in quiet trading, although there were some gains of up to DM0.20. The Regulating Authorities took up a very minor net amount of stock. Foreign Mark Loans were well maintained.

OSLO—Bankings were slightly irregular, while Industrials, Insurances and Shippings were quiet.

VIENNA — Generally slightly higher.

COPENHAGEN—Mixed in fair dealings. Banks were little changed. Commodities eased, while Industrials were irregular.

MILAN—Mainly lower in quiet conditions.

Leading Financials, Banks and Insurances were all down.

Bonds were also generally easier.

SWITZERLAND—Markets continued to firm in livelier trading, influenced by higher Wall Street advices and a weaker Swiss franc in the wake of Swiss Goverament controls on imports of foreign banknotes.

Export Oriented shares showed considerable strength.

Brown Boveri were sharply higher after its main foreign subsidiary BBC Mannheim reported 1975 results.

Interfood improved on its forecast of a 1975 net profit similar to previous years' result and same dividend.

State Bonds were little changed.

Dollar stocks firmed over a broad front, led by Blue Chips and "Glamour" stocks. Dutch shares rose, with Royal Dutch actively higher on strong demand. Germans were narrowly mixed.

TOKYO—Generally higher with active selective buying offsetting profit-taking. Volume 240m. (200m.) shares.

Motors firmed initially but some eased on late profit-taking. Toyota Motors rose Y1 to 710—its car sales this year will "exceed previous estimates."

Nippon Steel shed Y2 to 134. Japanese Steelmakers accepted a price boost by Australian iron ore suppliers, and were reported to be facing similar increases by Indian and Brazilian ore suppliers.

Constructions, Electricals and Foods finished mixed, after opening firm.

Non-Ferrous Metals gained on reports of brisk trading on copper markets abroad.

Export oriented shares were generally higher with dealers encouraged by the recovery in the U.S. economy.

Shipbuildings eased slightly.

AUSTRALIA—Mixed in quiet trading. Minings, particularly Base Metals, put on a good performance. MIM rose 3 cents to $A2.59, CRA 5 cents to 2.87 and Bougainville 6 cents to 1.35.

Pancontinental advanced 20 cents to 8.80.

In Coals, Utah jumped 20 cents to 3.45.

BHP put on 6 cents to 7.22 and EZ Industries 10 cents to 3.60.

Bank of NSW lost 4 cents to 6.16.

JOHANNESBURG. Gold shares firmed on London buying. Trading was fairly active. "Heavyweights" gained up to 100 cents, while "marginal" and "speculative" issues rose up to 65 cents.

Financial Minings followed producers higher. Coppers were firmer but Messina lost 15 cents to R380.

Plantinums put on up to 10 cents. Consolidated Murchison rose 90 cents to R12.90.

Industrials were a shade better.

Pound lower

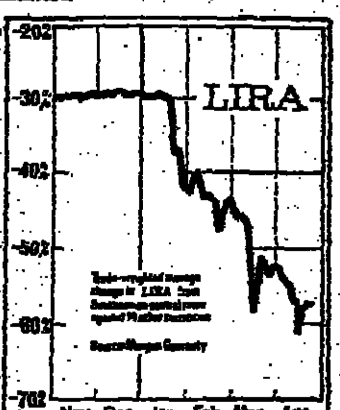
Sterling fell quite sharply in late dealings in the foreign exchange market yesterday, after remaining steady throughout most of the day in fairly quiet trading. The pound's trade-weighted average depreciation against ten major currencies since the Washington Currency Agreement of December, 1971, as calculated by the Bank of England, widened to 36.9 per cent. from 36.7 per cent., after standing at 36.7 per cent. at noon and in early dealings.

The pound opened at $1.8470-1.8480 against the U.S. dollar and touched a best level of $1.8490-1.8500, and remained at around $1.8470 level for most of the day. In the late afternoon sterling fell to $1.8400-1.8410, and closed at $1.8410-1.8420. The weakness probably the result of the Scottish TUC rejection of the Government's call for a 3 per cent. limit on pay.

The Swiss franc lost ground, following introduction of restrictions on the import of banknotes, falling to Sw.Frs.2.53125 against the dollar, compared with Sw.Frs.2.52 on Tuesday.

The dollar was generally weaker against other major currencies with its trade-weighted depreciation, as calculated by Morgan Guaranty of New York, widening to 1.80 per cent. from 1.73 per cent.

Gold fell $½ to $127-128 in quiet trading. The kruggerrand's premium over its gold content narrowed to 3.14 per cent. for domestic delivery, but widened to 8.58 per cent. in the international market.



SPECIAL DRAWING RIGHT RATES

One SDR is equal to	April 20	April 19
Sterling	0.623810	—
U.S. dollar	1.15199	1.15146
Belgian franc	44.8671	—
Deutsche mark	2.91707	—
French franc	5.37720	—
Italian lira	1009.66	—
Japanese yen	345.655	345.032
Dutch guilder	3.09021	—
Swedish krone	5.07164	—
Swiss franc	2.89979	—

Values are for currencies against the SDR as calculated by the International Monetary Fund in Washington.

EXCHANGE CROSS-RATES

April 21	Frankfurt	New York	Paris	Brussels	London	A'sterdam	Zurich
Frankfurt*		2.539-540	54.25-38	6.50-51	4.62-59	94.50-61	100.25-35
N. York*	39.39-41	—	21.41-43	2.5665-80	1.9462-67	37.28-33	39.62-64
Paris	183.865-285	4.6762-6762		11.953-962	8.6132-6392	173.9-74.3	184.425-225
Brussels	15.7-41	39.05-08	8.35-37	—	12.34-17	14.52-56	15.42-45
London	4.67-68	1.841-842	8.39-40	71.20-72.0	—	4.94-95	4.663-664
Am'erd'm	105.815-265	2.6847-72	57.46-61	6.578-583	4.959-964	—	106.165-215
Zurich	99.67-76	2.5307-17	54.18-22	6.482-4905	4.6546-63	94.12-26	—

U.S. $ in Montreal. U.S. $=98.24-26 Canadian cents. Canadian $ in New York. C$=101.76-78 U.S. cents. U.S. $ in Milan 272.0-279.0 Sterling in Milan 1625.50-1627.50. * Rates for April 20.

EURO-CURRENCY INTEREST RATES*

April 21 1976	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	W. German mark	Swiss franc
†Short term	8½-9⅛	4⅝-5⅛	7¼-8¼	2-2¼	2½-2¾	¼-½
7 days notice	8-8½	4⅝-5¼	8-9	2-2¼	2⅜-2⅞	⅜-⅝
Month	9½-10	4½-5	8⅛-8⅝	2⅝-2⅞	[illegible]	[illegible]
Three months	10¼-10⅝	5-5½	8⅞-8¾	3-3½	3¼-3⅝	1⅛-1¼
Six months	10⅝-11	5⅝-6⅛	9⅝-8⅞	[illegible]	3⅝-3¾	[illegible]
One year	11¼-11¾	6½-7	9¾-10	4¼-5	4⅛-4½	2⅛-2⅞

Euro-French deposit rates: two-day 8½-9½ per cent.; seven-day 8½-9½ per cent.; one-month 10-10½ per cent.; three-month 11½-12 per cent.; six-month 11½-12 per cent.; one year 11-11½ per cent.

Longer-term Eurodollar deposits: two years 7½-7¾ per cent.; three years 8½-8¾ per cent.; four years 8¾-8⅞ per cent.; five years 8¾-9 per cent.

The following nominal rates were quoted for London dollar certificates on deposit: one month 4⅞-4⅞ per cent.; three months 5½-5⅝ per cent.; six months 5¾-5⅞ per cent.; one year 6⁵⁄₁₆-6⁷⁄₁₆ per cent.

* Rates are nominal closing rates

† Short-term rates are call for sterling, U.S. dollars and Canadian dollars, two-days' notice for guilders and Swiss francs.

Indices

NEW YORK—DOW JONES

	April 21	April 19	April 16	April 14	April 13	April 12	1976 High	1976 Low	Since compilat'n High	Since compilat'n Low
Industrials	1005.46	990.11	980.49	974.65	984.26	971.27	1,009.21 (24/3)	868.71 (2/1)	1051.70 (11/1/73)	41.22 (8/7/32)
Home Bonds	75.61	75.50	75.55	75.37	75.34	75.25	75.55 (15/4)	68.11 (2/1)	—	—
Transport	211.51	206.51	204.23	201.51	201.94	200.68	211.51 (11/3)	175.69 (2/1)	279.88 (7/2/69)	13.23 (8/7/32)
Utilities	87.84	87.07	87.17	86.18	86.11	85.76	91.90 (4/2)	84.84 (2/1)	165.32 (20/4/65)	10.58 (28/4/42)
Trading vol. 000's	26,500	16,500	16,100	18,440	15,980	16,050	—	—	—	—

	April 19	April 9	April 2	Year ago (approx.)
Ind. div. yield %	3.76	3.81	3.72	4.88

STANDARD AND POORS

	April 20	April 19	April 15	April 14	April 13	April 12	1976 High	1976 Low	Since compilat'n High	Since compilat'n Low
*Industrials	115.79	114.15	113.21	112.82	113.71	112.99	118.07 (24/3)	101.64 (2/1)	134.64 (11/1/73)	3.52 (30/6/32)
†Composite	102.67	101.44	100.67	100.51	101.05	100.20	105.51 (5/4)	90.90 (2/1)	120.24 (11/1/73)	4.40 (1/6/32)

	April 19	April 15	April 8	Year ago (approx.)
Ind. div. yield %	3.76	3.37	3.30	3.89
Ind. P/E Ratio	—	13.58	13.85	9.80
Long Govt. Bond yield	—	6.40	5.50	6.19

N.Y. S.E. ALL COMMON

April 20	April 19	April 15	April 14	1976 High	1976 Low
54.76	55.96	55.55	55.55	56.20 (24/3)	47.06 (2/1)

Rises and Falls	April 20
Issues Traded	1,902
Up	1,210
Down	334
Same	358
New Highs	87
New Lows	9

		April 20	April 19	April 15	April 14	1976 High		1976 Low	
MONTREAL	Industrial	202.28	199.46	198.87	198.95	205.67	(24/2)	176.62	(2/1)
	Combined	194.82	192.44	191.75	191.62	198.87	(24/2)	175.67	(2/1)
TORONTO	Industrial	192.10	190.18	188.49	188.92	197.45	(20/2)	175.01	(2/1)
JOHANNESBURG	Gold	181.0	—	188.5	182.8	226.7	(12/5)	174.4	(5/4)
	Industrials	201.8	—	202.5	202.5	212.6	(2/1)	198.6	(5/4)

	April 21	Previous	1976 High	1976 Low
Australia (a)	449.79	448.87	472.81 (12/3)	440.52 (5/1)
Belgium (b)	104.41	104.34	116.13 (5/2)	104.34 (20/4)
Denmark (d)	103.50	103.44	107.79 (27/1)	100.80 (19/3)
France (e)	66.2	67.0	74.5 (6/5)	66.8 (21/4)
Germany (f)	794.3	799.0	821.7 (17/3)	766.5 (22/1)
Holland (g)	102.2	102.1	105.3 (5/2)	96.8 (29/1)
Hongkong (h)	(u)	428.41	465.53 (17/3)	364.55 (2/1)
Italy (k)	77.25	78.99	91.57 (25/2)	72.25 (12/4)
Japan (m)	335.10	334.10	344.61 (24/3)	326.29 (9/1)
Singapore (n)	263.17	259.38	286.16 (5/2)	236.55 (2/1)

	April 21	Previous	1976 High	1976 Low
Spain (p)	87.79	86.82	95.85 (2/1)	85.46 (1/4)
Sweden (q)	455.78	454.70	456.82 (7/4)	395.35 (19/1)
Switz'rl'd (r)	289.5	288.5	298.6 (12/3)	285.2 (6/4)

Indices and base dates (all base values 100 except NYSE All Common—50, and Standards and Poors 10): (a) Sydney All Ord. (b) Belgian SE 31/12/63. (d) Copenhagen SE 1/1/73. (e) Paris Bourse 1961. (f) Commerzbank December, 1953. (g) Amsterdam Industrial 1970. (h) Hang Seng Bank 31/7/64. (k) Milan 2/1/73. (m) Tokyo New SE 4/1/68. (n) Straits Times 1966. (p) Madrid SE 31/12/74. (q) Stockholm Industrials 1/1/58. (r) Swiss Bank Corp. 31/12/58. (u) Unavailable. ‡ Excluding bonds. * 425 Industrials. † 425 Inds., 50 Utilities and 25 Rails.

OVERSEAS SHARE INFORMATION

Investment premium based on $2.60 per £—105% (same).

NEW YORK

Stock	April 20	April 19
Addressograph	9½	9⅝
Corning Glass	69⅞	68⅝
CPC Int'nation'l	43⅝	42⅞
Crane	67	65
Crocker Nat.	24⅝	25
Johns Manville	30⅞	29⅞
Johnson Johnson	90	89⅞
Johnson Control	22½	22
Joy Manufactur'g	37	38
Reading	1¼	1¼
Republic Steel	35¾	35¼
Revlon	75¼	74⅝
Reynolds Metals	38⅝	37⅝
Zenith Radio	36¼	35⅞
Chile 5% 1993	89¼	†89¼
U.S.Treas.4%1993	†90⅞	†91⅝
U.S.Treas. ...	†84	†85
[illegible]		

CANADA

Stock	April 20	April 19
[illegible]		

GERMANY ◆

April 21	Prices Dm.	+ or −	Div. %	Yld. %
A.E.G.	100.2	+0.5	—	—
Allianz Versich.	423	+2	•17	2.0
B.M.W.	257.8	−1.7	14	2.7
BASF	167.7	−0.6	17	—
Bayer	142.7	−1.5	17	6.6
Bayer Hypo	289	+1	20	3.4
Bayer Vereinsbk.	308	−1	20	2.7
Commerzbank	205.5	+0.5	18	4.4
Conti. Gummi	104.7	−0.3	—	—
Daimler	353.5	−1.5	15	2.2
Degussa	264	−2	15	3.4
Demag	185		—	—
Deutsche Bank	316	−2.5	20	3.1
[illegible]				

MILAN

April 21	Price Lire	+ or −	Div. Lire	Yld. %
Alitalia Priv.	720	+40	—	—
ANIC	650	−9	50	—
Ausonia Fin.	3,850	−60	120	5.4
Bastogi	966	−24	70	7.1
Breda	1,730	+10	165	8.7
Burgo	9,650	−150	200	2.1
Cantoni	5,325	−154	200	3.8
CIGA	2,260	−150	—	—
Credital	4,100	+60	250	6.1
Dalmine	600	−30	50	0.8
Erba	2,210	−5	—	—
Fiat	1,271	−79	100	7.8
Do. Priv.	895	−40	100	1.1
[illegible]				

AUSTRALIA

April 21	Aust. $	+ or −
Acrow Australia	†0.75	—
Adelaide Brighton Cent 50c	†1.11	—
Allied Mng-Trig Indus $1	†1.85	−0.04
Ampol Exploration	†0.86	−0.02
Ampol Petroleum	†0.56	—
Assoc. Minerals	†3.11	—
Assoc. Pulp Paper $1	†0.85	+0.05
Aust. Con. Industries	†1.52	—
Aust. Foundation Invest.	†0.92	+0.02
A.N.I.	†1.0	—
Aust. Oil & Gas	†0.10	+0.01
Blue Metal Ind.	†1.03	−0.03
Bougainville Copper	†1.35	−0.06
[illegible]		

JOHANNESBURG

[illegible]

PARIS

[illegible]

BRUSSELS/LUXEMBOURG

[illegible]

TOKYO †

[illegible]

SWITZERLAND ◆

[illegible]

AMSTERDAM

[illegible]

STOCKHOLM

[illegible]

COPENHAGEN

[illegible]

OSLO ◆

[illegible]

VIENNA

[illegible]

SPAIN ▼

[illegible]

Cocoa leads downturn on commodity markets

BY JOHN EDWARDS, COMMODITIES EDITOR

COCOA LED a general downturn in commodity prices yesterday, reacting against the spectacular rises recorded on Tuesday. After moving nearly the permissible limit up in early trading, cocoa futures were suddenly hit by a wave of profit-taking and stop-loss selling which promptly moved prices the permissible limit down.

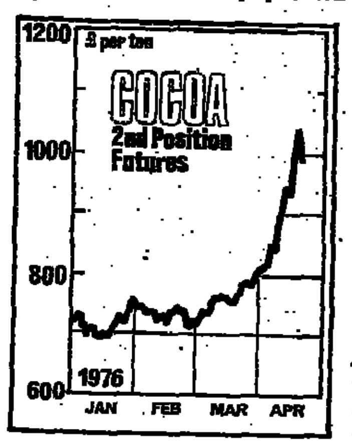
The decline continued and the July position closed near the low for the day at £988.5 a tonne, £57 down on the previous close and £76 below the peak of £1,065 traded in the morning.

There was no apparent change in the fundamental supply-demand position to account for the sudden reversal in the market which more than wiped out Tuesday's gains.

One simple explanation given was "that what goes up must come down. It is the reaction we have all been waiting for."

In fact there were signs overnight of trade selling at the top level following the general impression that the rises on Thursday and Tuesday had been overdone by speculative excitement. It was pointed out that at one stage the London market was at a substantial premium to New York. From the chartist point of view, yesterday's sharp move is apparently a classic "key reversal" normally taken as a prediction of lower prices.

Coffee prices also came down from the record levels achieved on Tuesday with the market behaving somewhat similarly to cocoa. But the losses were smaller with the July position



closing £19 down at £1,332 a tonne after fluctuating widely throughout the day.

There was a general decline in metal prices in nervous trading conditions, but the weakness of sterling brought a hardening of values on the late kerb. Copper was particularly erratic with values fluctuating by some £20 before the cash wirebars quotation closed £4.25 lower at £862.25 a tonne.

Tin prices lost ground, despite a rise in the Penang market overnight. Sustained selling, believed to be on behalf of the buffer stock of the International Tin Council, kept the market under pressure and standard grade cash tin closed £28.5 down at £3,852.5 a tonne.

Zinc followed the downward trend in copper with the cash price losing £3.875 to £437.5 a tonne. Lead values, however, were held up against the trend by some heavy buying of cash metal against physical business. As a result the cash price closed £4.5 up at £260.75 a tonne.

Speculative profit-taking, reflecting overnight losses in the U.S., brought lower silver prices in London with the bullion spot quotation being cut by 5.05p to 241.5p an ounce at the morning fixing.

Sugar, which has not shared in the general commodity price upsurge, was easier with the London daily raw sugar quotation being cut by £1 to £181 a ton and futures' values losing between £3 to £4 on the day.

● In Brussels, the EEC Commission authorised sales totalling 44,750 tonnes of whites with a maximum export rebate of 8.691 Units of Account per 100 kilos at its weekly export tender, reports Reuter.

But it also lowered its fixed export rebates to 3.50 U.A. per 100 kilos for whites (4.78) and 3.22 U.A. for raws (4.40), effective to-day.

Last chance for EEC skim plan

WASHINGTON, April 21.

THE U.S. is giving the EEC "one last chance" to offer voluntarily some compensation for damage its skimmed milk powder disposal scheme is inflicting on the U.S. soyabean industry, Mr. Clayton Yeutter, U.S. trade negotiator, said yesterday.

The U.S. will therefore not formally raise the issue at the next session of the General Agreement on Tariffs and Trade (GATT) scheduled to begin in Geneva on April 26, he said.

If a positive response were not received from Brussels by early May the U.S. would seek a speedy determination under GATT that the EEC scheme is illegal. Such a finding would automatically give the U.S. full authority to retaliate, he warned.

Mr. Yeutter said the U.S. was very confident the EEC scheme would be ruled illegal by GATT. It certainly violated two major provisions and possibly even a third, he said.

These covered a long-standing EEC pledge to allow U.S. soyabeans to enter the Community free of any import duty and prohibited GATT participants from introducing any requirement that a specified percentage of a product consist of a domestically-produced material.

Mr. Yeutter said that, in the spirit of international negotiations, the U.S. would prefer to have the matter settled through bilateral rather than GATT negotiations.

The U.S. had informed the EEC that if it were prepared to concede that its milk powder scheme was harmful to the U.S. soyabean industry, the U.S. would be prepared to suggest what could be done by way of compensation.

He said beyond loosening current restrictions on imports of soyabean protein texture products there was little the EEC could do to compensate the soyabean industry.

However, soyabean farmers also frequently grow feed grains which suffer from the restraints of the EEC variable import levy system as far as U.S. sales to the Community are concerned. Something useful would be gained if the EEC granted U.S. corn and sorghum easier access to its markets, Mr. Yeutter considered.

Reuter

U.S. ALUMINIUM INGOT PRICE UP

April 21.

Reynolds Metals Co. to-day anounced that it is raising the price of primary aluminium unalloyed ingot by 3 cents per lb effective for orders immediately and deliveries on or after May 17.

The base price of primary ingot will be raised to 44 cents a lb, and that of extrusion ingot will rise 3.8 cents. Base prices for all other ingot products will be increased 3 cents

Reuter

New drought moves in East Anglia

THE ANGLIAN Water Authority has made several new moves to conserve water supplies in the major agricultural counties in its area.

It is setting up seven advisory committees in Lincolnshire with members of the Country Landowners' Association and National Farmers' Union branches, while in Norfolk it has sent out over 6,000 letters to farmers and other customers with metered water supplies urging them to use water as sparingly as possible.

Mr. Ray Douse, manager of the authority's Lincoln division, said use of hosepipes was already banned in the whole of the county except South Humberside.

"There is a definite shortage of water for this summer and will be whatever the weather from now on. This is because there was no replenishment of reservoirs in winter after the remarkably dry summer last year. From now on we have to expect that water lost to the atmosphere by evaporation and transpiration will exceed rainfall in any typical amounts," he said.

Rubber prices easier on U.S. strike news

By Our Commodities Staff

RUBBER VALUES on the London physical and terminal markets eased yesterday in response to news that the U.S. United Rubber Workers Union had embarked on a strike against the nation's big four rubber companies.

The companies involved—Firestone Tire and Rubber Company, Goodyear Tire and Rubber Company, B. F. Goodrich and Uniroyal — together represent around two-thirds of U.S. tyre production capacity. The U.S. accounts for over 20 per cent. of world natural rubber consumption.

Mr. Peter Bommarito, president of the union, said he expected a lengthy strike. The strike, which involves 70,000 workers, is against Firestone in support of a $1.65 an hour wage increase.

The spot quotation on the London physical market ended 0.5p lower at 44.5p a kilo while nearby futures quotations on the terminal market closed marginally lower. The official overnight closing rate on the Singapore market was higher again at 195½ Malaysian cents a kilo but this was trimmed by a cent after hours following the U.S. strike announcement.

RABIES

Britain more at risk than ever before

BY OUR COMMODITIES STAFF

BRITAIN IS to-day more at risk from a major outbreak of rabies among wildlife than at any other time in history, a report by the pharmaceutical industry's Office of Health Economics stated yesterday.

The reason is that there are now more foxes in towns and countryside than there were in the past—and the fox is extremely susceptible to rabies.

"To a considerable extent the animal's life style has changed to that of an urban, or at least suburban scavenger. This brings it into closer contact with domestic animals and man," says the report.

Pet lovers

It also warns that pet lovers, tempted to smuggle animals to evade quarantine rules, risk causing "a major ecological disaster" which could lead to human deaths, with children particularly at risk.

Foxes and field voles have an "extremely high" susceptibility to rabies infection, while cattle, cats, rabbits, hamsters and a few other animals have a "high" susceptibility. Dogs, sheep, goats and horses are moderately susceptible.

In France, where rabies among wildlife is rapidly approaching the Channel coast, more than three-quarters of the confirmed cases are in foxes. However, provided quarantine laws are not ignored or evaded, there is a good chance that rabies may still be kept out of Britain, the report says.

Danger points are the ports and airports. There is also an increased risk of animals coming ashore from the growing numbers of privately-owned pleasure craft at yachting marinas.

Strict safeguards against smuggling, which include unlimited fines, up to one year's imprisonment, and the destruction, in some cases, of illegally imported animals, are fully justified, the report adds.

"Arguments against quarantine for animals entering Britain often appear to be either ill-informed or mischievous, though there may be a case to-day for dogs and cats properly immunised by modern vaccines to be allowed some preferential treatment."

If an outbreak does occur, the contingency plans prepared by the Ministry of Agriculture for swift action in the infected area, with early co-operation between all the agencies involved, make it likely that the disease would be controlled.

Rabies is widely regarded, the report says, as one of the "most terrifying" of all diseases. Once the symptoms have developed, no treatment offers a reasonable chance of a cure. But, it adds, even in the poorer regions of the world, with limited health care, rabies is only a relatively small threat to human life.

"The development of efficient vaccines for domestic animals means that the risk of secondary transmission through such animals to man is greatly reduced. This represents one of the most significant advances in rabies prevention in recent decades."

There are also hopes that techniques for immunising wild animals like foxes might be developed for widespread use.

But if rabies did become established in Britain's wild animals, it would lead to profound changes in our wildlife and decrease the richness of our animal population, the report warns.

"Pet lovers tempted to evade quarantine rules by animal smuggling should remember that they risk causing a major ecological disaster which would result in much animal suffering, as well as considerable social and economic costs to the human population."

It is also possible that an individual bringing into Britain an animal which develops rabies "would cause human deaths, despite the availability of better protective measures. Some people, especially children, could be infected without realising their need for immunisation."

Oral vaccine

A fox population immune to rabies would be of great value in controlling the disease if it ever came to Britain said Mr. David Taylor, deputy director of the Office of Health Economics.

"In the long term such an approach is by far the most acceptable one" he said. "It would be the most practical on a social and cost-effective basis."

Technology for an oral vaccine to immunise wild animals against the disease was still at the research stage, but tests in the U.S. promised success.

Mr. Taylor said official figures showed pet smuggling to be on the increase despite recent measures to stop it.

U.S. futures curbs proposed

BY OUR COMMODITIES STAFF

POSSIBLE NEW moves for greater regulation of the U.S. commodity futures markets were outlined in Chicago yesterday by Mr. William Bagley, chairman of the Commodity Futures Trading Commission, which has just completed its first year of existence.

Mr. Bagley said that the Commission would have to make decisions soon on commodity options trading, reports Reuter.

One suggestion was that options trading should be allowed on the exchanges themselves, using a clearing-house mechanism with built-in protection.

Alternatively there could be a series of criteria with submission of a business plan—some kind of a quota guarantee. But there will certainly not be any "naked" options."

The commission ought to at least insist that the options purchaser has a direct link to the London markets "rather than through some dealer in a back shop," he added.

Another major area being examined is the aggregation of accounts—the pooling of money in discretionary accounts which can have a major impact on markets, Mr. Bagley said. Regulations are now pending to cover these.

Also under consideration is a proposal for 30 second or one minute trading halts every 15 or 30 minutes during market sessions to keep track of individual deals.

The halts would allow commission staff to check on individual deals and to see if there was any pit broker executing outside customer orders while at the same time trading on his own account.

U.S. commodity futures markets last year had a record turnover of $600,000m.

COMMODITY MARKET REPORTS AND PRICES

METALS

toping. The price then fell back to £895 following the lower opening of the U.S. market but recovered to £909 in late inter-office trading before ending at £896. Turnover 30,050 tonnes.

Amalgamated Metal Trading reported that in the morning cash wirebars were untraded, three months £898, 99, 900, 899.5, 99, 98, 97, 96, 95, 94, 95, 94, 95, 94, 94.5. Cathodes: cash £862, three [illegible]

sterling to end at £3,910 on the afternoon Kerb. Turnover 1,160 tonnes.

Morning: Standard: cash £3,860, 75, three months £3,935, 30, 35. Kerb: Standard: three months £3,930, 32. High [illegible]

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
High Grade £	£		£	£
[illegible]				

COCOA

After initially continuing Tuesday's upward trend, prices turned and fell heavily on waves of profit-taking and stop-loss selling orders, reports Gill and Duffus.

[illegible]

COFFEE

[illegible]

RUBBER

[illegible]

SILVER

[illegible]

GRAINS

[illegible]

FREIGHTS

charterers booked a vessel of 14,000 long d.w.t. for a voyage from Singapore to U.K./Continent at $3 700 daily prompt.

[illegible]

ton for delivery London area: Wheat—Milling, May £76: denaturable, May £76.50. Barley—Feed, May £74.25.

LONDON GRAIN FUTURES MARKET (GAFTA)—Wheat, steady. Close: May 74.25, Sept. 72.05, Nov. 74.15, Jan. 76.30, March 78.10. Business: May 74.50-74.20, Sept. 72.25-71.85, Nov. 74.30-73.95, Jan. 76.35-75.95, March 78.15-77.75. Total sales 225. Barley, steady. Close: May 73.15. [illegible]

SOYABEAN MEAL

[illegible]

SUGAR

[illegible]

JUTE

CALCUTTA—Strong. Indian spot Rs.530.00. Dundee Daisee spot Rs.500.00 value. A bale of 400 lbs.

WOOL FUTURES

LONDON—The market eased in later trading with a good level of turnover, reports Bache.

(Pence per kilo)

[illegible]

MEAT/VEGETABLES

[illegible]

PRICE CHANGES

Prices per ton unless otherwise stated.

	April 21 1976	+ or —	Month ago
Metals			
Aluminium (a)	£456		£420
Free Market (cif)	£445-465		£400-415
[illegible]			

FINANCIAL TIMES

[illegible]

REUTER'S

[illegible]

DOW JONES

[illegible]

MOODY'S

[illegible]

U.S. Markets

Limit rise in coffee: copper firm

NEW YORK, April 21.

[illegible]

NOTICES

[illegible]

CINEMAS (Contd.)

[illegible]

ART GALLERIES

[illegible]

STOCK EXCHANGE REPORT

Share index gains 4.8 to 29-month peak of 419.6

But trading volume remains low—Gold shares rise sharply

Account Dealing Dates
Option

*First Dealings	Declarations	Last Dealings	Account Day
Apr. 5	Apr. 14	Apr. 15	Apr. 28
Apr. 20	Apr. 29	Apr. 30	May 11
May 3	May 13	May 14	May 25

* "New time" dealings may take place from 9.30 a.m. two business days earlier.

Renewed demand for leading equities early yesterday confirmed recent expectations that the Financial Times Industrial Ordinary Share Index would touch a 29-month high. In the event, the index, up 5.9 at 420.7 at 1 p.m., comfortably passed the previous peak for 1976 of 417.4 by closing a net 4.8 higher at 419.6, its highest closing level since November 12, 1973.

The early buying was by no means indiscriminate, the thin trading conditions in the market leaders precluding a runaway in prices. Instead, investors turned their attentions to good-class secondary issues where it is still possible to pick up reasonable lines of stock. This was confirmed by the 9-1 ratio of rises over falls (7-1 on Tuesday) in FT-quoted Industrials, while the three major FT-Actuaries indices all made good gains of between 1.0 and 1.2 per cent., the Industrial Group, 164.37 and the 500-Share, 181.37 both being at their highest since October, 1973. The All-Share, 171.05, is fractionally below this year's peak of 172.64 touched January 30 last.

Some hesitancy in the leaders towards the close reflected the Scottish TUC's firm rejection of the Government's proposed 3 per cent. wage rise linked to tax concessions.

Gold shares scored their best gains of the year following a continuation of U.S. demand in very thin markets. Rises were to £1¼ and the Gold Mines index jumped 13.1 to 169.5.

Gilts move narrowly

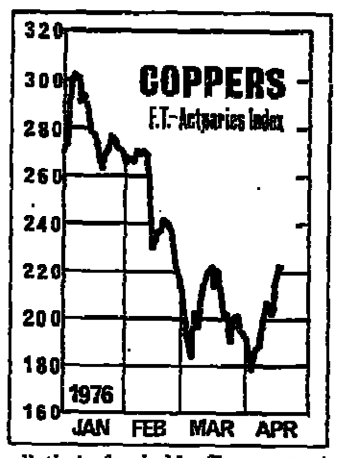
Gilt-edged finally lost their recent strong upward momentum, but the ensuing reaction was very limited and confined to the longer end of the market. Here, quotations opened ¼ lower, this reflecting anticipations that stock could be offered, but in the event trade was light and late in the day the losses were reduced to ⅛ following the encouraging trend depicted by the latest wages and earning figures. Short-dated maturities hardened a shade although interest was dampened by the course of sterling and a broker's circular warning of excessive monetary growth. Corporations were marginally better in places. The Government Securities index eased 0.06 to 63.24.

The day in the investment currency market was again uneventful, although business conditions were more normal after the long Easter recess, and the premium closed unaltered at 105 per cent. Yesterday's SE conversion factor was 0.6879 (0.6881).

Minster assets up

Home banks continued to make fresh headway on an increased turnover. Making further response to the charges for personal customers, Barclays touched 310p before closing a net 3 better at 308p. Similar gains were recorded in Lloyds, 238p, Midland, 298p, and National Westminster, 238p. Foreign issues were featured by Hong Kong and Shanghai, which gained 12 to 330p on Far-Eastern advices. Minster Assets were firm in Merchant banks, rising 4½ to 60½p on news of good results from a subsidiary. Hill Samuel found support at 111p, up 5, and Mercury Securities gained 4 at 121p. Discounts were a shade firmer in places. After the previous day's gain of 18, Alexanders put on 2 more to 230p.

The volume of business in Insurances was small but a firm trend was maintained. General Accident, still drawing strength from Press comment, put on 5 more to 183p. Ahead of their respective preliminary statements to-day, Minet Holdings put on 3 to 129p and Leslie and Godwin added 4 to 122p. Sedgwick Forbes closed 5 dearer at 267p and Stenhouse ended 4 up at 108p; the latter have reached agreement to sell their freehold office property in Glasgow for £1.7m. cash. Sun Life hardened 2 to 95p on the interim dividend.



Breweries continued on a quietly firm note. Bass Charrington improved a penny to 101p and Wolverhampton and Dudley gained 3 to 137p. Elsewhere, Distillers closed 1½ better at 147½p and Teacher (Distillers) 4 up at 212p.

Taylor Woodrow were good late in Buildings following news of a £130m. coal contract; the Ordinary closed 8 better at 286p and the new nil-paid shares finished 5 up at 43p premium. Higher profits took Geo. M. Callender up 2 to 17p, while Wight Construction also closed 2 better at 84p after the results. AP Cement were finally 5 up at 193p, while British Dredging hardened 2½ to 19p and Tarmac rose 4 to 180p. Lafarge, however, eased a penny to 24p on the reduced earnings.

After touching 407p, ICI closed unchanged on the day at 404p. Elsewhere in Chemicals, higher earnings took Farm Feed up 3 to 68p, while Bernard Wardle, 15½p, and Revertex, 88p, put on 1½ and 4 respectively following Press mention.

Firm Television issues had Scottish 'A' 1½ harder at 26½p and Anglia 'A' 3 better at 116p.

UDS improve

Stores moved higher under the lead of UDS, which rose 4 to 87p. House of Fraser hardened 2½ to 92½p, while Burton "A," 58p, and "Gussies" 'A,' 212p, put on 2 apiece. Gains of 6 were scored by Mothercare, 186p, and Allied Retailers, 123p, but Currys, at 115p, gave up half of the previous day's rise of 8 which followed the preliminary figures. Newsagencies continued firmly; John Menzies, still reflecting the results, moved up 3 more to 135p for a two-day gain of 10. W. H. Smith "A" improved 6 further to 360p. In Mail Orders, Empire Stores added 3 at 90p and Freemans (London) were 4 better at 170p.

Electrical leaders made progress during a good business before finishing mainly a shade below the day's best. Reyrolle Parsons rose 4½ more to 131p, while GEC, 167p, after 168p, and EMI, 254p, both finished 3 higher. BICC new nil-paid, at 27p premium, also ended 3 firmer, although the old were 122p. Elsewhere, Farnell Electronics met support and closed 5 up at 101p, after 104p, in anticipation of to-day's preliminary results. Still on the counter-bid approach from Rectifier Modules, Broxlea Holdings put on 2½ more to 30½p for a two-day gain of 5½p. After the recent good rise, Laurence Scott relinquished 2 to 54p ahead of next Wednesday's annual results.

A relatively narrower market than other Engineering leaders, Hawker rose 8 to 454p, while Tube Investments closed unaltered at 384p, after 388p, and GKN eased 3 to 343p. Vickers, awaiting to-day's preliminary statement, remained at 181p. Elsewhere, news items brought a marked response, Peter Brotherhood jumping 7 to 97p late on the profits forecast and Newman Granger rising 6 to 28p following impressive first-half figures. Delta Metal improved 2 72p, the lower profits being expected but above many market estimates. Haden Carrier gained 7 to 125p. Lake and Elliot, up 5 at 70p, were stimulated by an investment recommendation. Triplex Foundries found support at 65p, an advance of 5. Weyburn were quoted ex the "rights" issue and closed 18 higher at 245p, after extremes of 260p and 240p; the new nil-paid shares moved between 222p and 235p premium before ending at 221p premium. Of the few adverse movements, G. Whitehouse lost 1 to 11p after news of the first-half loss.

Foods made fresh progress, Fitch Lovell closing 3 better at 53p and J. Sainsbury 4 higher at 120p. Danish Bacon "A" responded to the substantially higher earnings with a rise of 7 to 162p, while the chairman's statement helped Associated Biscuit to improve 6 more to 85p. Barker and Dobson continued firmly, rising a penny to 6½p.

Grand Metropolitan put on 2½ more at 76p, while Pontin's, ahead of to-morrow's interim report, hardened a penny to 26p. Trust Houses Forte, at 108p, held an earlier gain of 2 despite the announcement that Allied Breweries (1½ firmer at 66p) had decided not to take up its substantial "rights" issue entitlement.

Metal Box good again

Miscellaneous Industrial leaders had initial fresh rises trimmed back, although Metal Box, helped by Press comment, closed with a further advance of 8 at 288p, after 290p. Net gains of 4 were recorded in Reed International, 283p, after 288p, and Unilever, 466p, while Glaxo finished 3 firmer at 415p, after 417p. Elsewhere, Edward Le Bas responded to the sharply higher profits with an advance of 12 to 62p while, also reflecting increased profits, Fairbairn Lawson, 38½p, and United Carriers, 37½p, both added 4½, and Bestobell put on 3 to 168p. The first-half profits expansion brought an improvement of 3 to 17p in Long and Hambly, while the chairman's statement with the full report left Thomas Tilling 4 up at 87p. Dunbee-Combex-Marx managed to harden 2 more to 185p after the previous day's spurt of 20 on the "rights" offer plan, dividend advance and profits estimate accompanying acquisition news. Huntleigh recovered 3 to 57p despite the reduced profits, while Toye and Co., on recovery hopes, shook off the poor results and picked up 2 to 23p. I.C. Gas moved ahead 16 to 356p and Johnson Matthey 7 to 382p, while J. Coral, 131p, and Richardson Smith, 55p, closed around 3 higher.

Motors and Distributors were better where changed. Dowty hardened 3 to 168p, while recent Press comment continued to held Lucas, up 4 more to 230p, and Wilmot-Breeden, 2½ harder at 54p. Garages had Lex Service 1½ better at 34½p following the chairman's statement. Wadham Stringer made no response to the preliminary figures, closing without alteration at 23p.

Interest developed in Pearson Longman ahead of the results, due to-day week, and the close was 7 higher at 120p, after 121p. Paper/Printings staged sporadic improvements, Bunzl Pulp rising 8 more to 108p and Hindson Print advancing similarly to 48p.

Oils slightly firmer

Oils made further progress in a light trade before coming off the top late. British Petroleum reached 648p prior to closing a net 5 higher at 645p, while Shell rose to 428p only to react subsequently to 424p, a gain of only 2 on the day. Tricentrol, 82p, after 65p, and Burmah, 34p, after 35p, performed similarly to end unchanged on balance, but British-Borneo held a rise of 6, at 120p, the last-named in reflection of its gold-share interests. U.S. influences took Royal Dutch up ¼ to £37⅞ and domestic market advices caused Sunningdale to jump 60 to 905p.

A fairly small trade left the Property leaders closing a shade easier for choice, although Slough Estates, helped by a broker's recommendation, rose 2 at 88p. Land Securities ended unchanged at 173p, after touching 171p and 174p, while losses of a penny were registered in British Land, 36½p, and MEPC, 73p. Elsewhere, favourable investment comment left Percy Bilton 3 better at 149p and Evans of Leeds 2 firmer at 63p. Artagen Properties finished 2 harder at 77p, after 78p, on hopes of the company putting up a strong defence against the 73p cash bid from Sun Life, while Keith and Henderson, awaiting further news of the bid approach from Welfare Insurance, added 2½ at 94p. United Real Property rose 7 to 182p and Warnford Investments 5 to 175p.

Among Overseas Traders, Sime Darby, 107p, and James Finlay, 122p, improved about 5 apiece, while Gill and Duffus, with results expected next Wednesday, closed 3 higher at 166p.

Late details of the company's planned reconstruction brought about a mark-up in Tokengate Investments which closed 9½ better at 52½p in Trusts and Financials. Border Southern, 226p, and Rothschild, 264p, rose 7 and 8 respectively.

Shippings again failed to attract any substantial interest, but managed to hold a firm undertone. Further consideration of the results left Ocean Transport 2½ dearer at 139½p, while Milford Docks hardened 4 to 44p. Ahead of to-day's preliminary results, Lyle edged forward a penny to 196p.

After touching 159p, Courtaulds reacted late to close a net penny easier at 156p in otherwise quietly firm Textiles. Ahead of to-day's interim figures, Slimma put on 2 to 43p. The Tobacco majors contributed to the firm market trend. Bats rose 5 to a 1976 high of 378p and Imps hardened a penny to 79p.

After what proved to be the busiest day in Plantations for quite some time, prices closed firmer throughout. Guthrie rose 10 to 197p and Consolidated Plantations hardened 3½ to 64½p. Golden Hope improved 2½ to 39p in front of to-day's interim results. Among Teas, McLeod Russel added 7 at 134p and Blantyre were 5 dearer at 180p.

Sharp gains in Mines

The sharpest gains in a general advance in mining share markets were scored by Gold shares. Demand for the latter was only modest, but it impinged on a nervous market which was short of stock. A follow through of U.S. interest coupled with [illegible] buying left t[illegible] 13.1 higher a[illegible] since March [illegible] 50 cents to $[illegible]

In the hea[illegible] ranged to £1[illegible] gains of £1½[illegible] beest (£13) a[illegible] In the lo[illegible] Loraine adva[illegible] Free State S[illegible] 88p. Blyvoo[illegible] both 50 high[illegible] respectively.

Financials [illegible] Golds and th[illegible] in base met[illegible] were £1¼ [illegible] "Johnnies" [illegible]

London-ba[illegible] strongly ahe[illegible] by the firmn[illegible] Aided by the[illegible] ter results [illegible] Trust advan[illegible] 570p, while [illegible] 168p and G[illegible] 180p, after [illegible]

Coppers [illegible] gains, refle[illegible] the metal p[illegible] 70 to 820p [illegible] at 203p.

Platinums [illegible] by Cape i[illegible] were 12 hig[illegible] and Bishop[illegible] Tins rose a[illegible]

Australian [illegible] base metal [illegible] in line wit[illegible] night home[illegible] on 9 to a 1[illegible] North Brok[illegible] at 164p.

Elsewhere [illegible] 830p owing [illegible] ing followi[illegible] meeting.

FINANCIAL TIMES STOCK [INDICES]

—	April 21	April 20	April 16	April 14	Ap[ril]
Government Secs.	63.24	63.30	63.02	62.60	6[illegible]
Fixed Interest	62.39	62.30	62.42	62.06	61
Industrial Ordinary	419.6	414.8	409.0	408.4	40[illegible]
Gold Mines	169.5	156.4	152.4	151.2	15[illegible]
Ord. Div. Yield %	4.97	5.02	5.08	5.09	[illegible]
Earnings Y'ld % (full)(a)	14.66	14.82	15.00	14.81	1[illegible]
P/E Ratio (net) (a) (b)	10.00	9.91	4.79	9.89	[illegible]
Dealings marked	5,890	5,555	4,920	5,166	4[illegible]
Equity turnover £m	—	54.71	68.46	64.01	4[illegible]
Equity bargains total	—	14,507	15,808	15,333	13[illegible]

10 a.m. 418.4. 11 a.m. 417.6. Noon 420.2. 1 [illegible]
2 p.m. 420.7. 3 p.m. 420.0.
Latest Index 01-246 8026.

(a) Based on 52 per cent. corporation tax. [illegible]
Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Ind. [illegible] Mines 12/9/55. SE Activity July-Dec. 1942.

HIGHS AND LOWS

—	1976 High	1976 Low	Since Compilation High	Since Compilation Low
Govt. Secs.	65.21 (30/1/76)	60.19 (2/1/75)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	64.43 (2/2/76)	59.75 (2/1/76)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	419.6 (21/4/76)	381.6 (5/1/76)	543.6 (19/5/72)	49.4 (26/6/40)
Gold Mines	246.9 (2/1/76)	140.1 (5/4/76)	442.3 (22/5/75)	43.5 (26/10/71)

S.E. [ACTIVITY]

Daily— [illegible]
Gilt-Ed[ged] [illegible]
Industr[ials] [illegible]
Specula[tive] [illegible]
Totals [illegible]
5-day A[verage] [illegible]
Gilt-E[dged] [illegible]
Indust[rials] [illegible]
Specul[ative] [illegible]
Totals [illegible]

F.T.—ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, The Institute of Actuaries and the Faculty of Actuaries

EQUITY GROUPS — GROUPS & SUB-SECTIONS. Figures in parentheses show number of stocks per section.

	Equity groups	Wed. Apr. 21, 1976 Index No.	Day's Change %	Est. Earnings Yield % (Max) Corp. Tax 52%	Gross Div. Yield % (ACT at 35%)	Est. P/E Ratio (net) Corp. Tax 52%	Est. P/E Ratio (nil) Corp. Tax 52%	Tuesday April 20 Index No.	Thurs. April 15 Index No.	Wed. April 14 Index No.	Tuesday April 13 Index No.	Year ago (approx.) Index No.	1976 High	1976 Low	Since Compilation High	Since Compilation Low
1	CAPITAL GOODS (179)	160.06	+1.0	14.20	5.46	10.60	10.52	158.43	155.53	155.58	154.39	129.01	160.06 (21/4)	143.66 (2/1)	206.57 (4/5/72)	50.71 (13/12/74)
2	Building Materials (30)	147.94	+1.2	11.87	6.05	12.71	12.70	146.25	143.80	143.64	143.21	116.90	150.18 (16/1)	138.49 (20/2)	233.84 (2/5/72)	44.27 (11/12/74)
3	Contracting, Construction (23)	229.22	+0.8	15.87	4.59	9.79	9.79	227.41	223.45	224.23	222.65	251.61	260.20 (15/1)	222.65 (13/4)	389.53 (19/5/72)	71.48 (2/12/74)
4	Electricals (16)	287.30	+1.3	14.24	4.31	10.36	10.07	283.72	275.67	276.66	273.60	229.55	287.30 (21/4)	250.60 (6/1)	350.04 (4/5/72)	86.71 (25/6/62)
5	Engineering (Heavy) (13)	188.40	+0.8	20.17	6.10	7.86	7.86	186.97	180.20	179.08	176.21	158.50	188.40 (21/4)	163.90 (6/1)	202.57 (6/6/75)	94.43 (1/2/76)
6	Engineering (General) (63)	147.67	+0.7	14.54	5.90	10.21	10.20	146.63	145.15	146.38	143.85	110.07	147.75 (7/4)	125.48 (2/1)	168.59 (4/5/72)	45.14 (6/1/75)
7	Machine and Other Tools (9)	58.77	−0.1	14.36	6.40	12.55	12.55	58.85	58.58	58.62	58.55	46.17	60.17 (26/3)	51.19 (6/1)	136.70 (4/7/69)	19.96 (13/12/74)
8	Miscellaneous (25)	140.14	+1.8	14.05	5.97	10.96	10.96	137.66	134.75	134.61	133.92	114.48	140.14 (21/4)	121.53 (2/1)	177.41 (27/4/72)	49.65 (6/1/75)
9	CONSUMER GOODS (DURABLE) (53)	141.46	+1.1	14.33	4.47	10.44	10.43	139.87	137.26	138.22	137.20	90.14	141.46 (21/4)	121.67 (2/1)	227.78 (21/4/72)	38.39 (6/1/75)
10	Lt. Electronics, Radio TV (15)	159.49	+1.1	12.46	3.37	11.78	11.77	157.78	155.23	156.95	156.03	100.99	160.35 (7/4)	139.18 (2/1)	257.41 (19/5/72)	42.83 (12/12/74)
11	Household Goods (13)	186.02	+0.9	18.56	6.16	8.03	8.01	184.29	184.05	185.05	183.89	146.90	187.22 (7/4)	163.38 (2/1)	263.22 (4/5/72)	63.92 (17/12/74)
12	Motors and Distributors (25)	86.01	+1.3	15.84	5.67	9.70	9.70	83.92	81.39	81.44	80.56	49.65	85.05 (15/3)	70.05 (6/1)	170.69 (15/1/69)	19.91 (6/1/75)
13	CONSUMER GOODS (NON-DURABLE) (168)	156.29	+1.2	13.36	5.72	11.10	11.02	154.39	151.47	151.41	149.91	140.87	162.24 (4/2)	148.09 (12/4)	236.08 (16/8/72)	61.41 (13/12/74)
14	Breweries (15)	160.81	+2.2	14.03	6.71	10.69	10.69	157.40	154.61	154.46	151.82	155.77	179.43 (2/2)	150.25 (12/4)	281.87 (28/11/72)	69.47 (13/12/74)
15	Wines and Spirits (7)	180.46	+1.3	10.41	5.61	14.57	14.57	178.12	176.89	175.93	174.80	167.19	185.89 (15/3)	173.82 (12/4)	257.40 (13/7/72)	78.81 (13/12/74)
16	Entertainment, Catering (14)	194.22	+2.1	12.36	6.79	12.45	12.36	190.19	185.73	186.28	184.83	149.02	211.26 (8/3)	182.25 (2/4)	329.99 (12/12/72)	54.87 (19/1/74)
17	Food Manufacturing (22)	175.05	+1.1	12.16	4.87	11.58	11.50	173.07	169.52	169.57	168.53	147.29	175.05 (21/4)	152.69 (20/2)	211.66 (1/6/72)	59.78 (11/12/74)
18	Food Retailing (16)	142.01	+1.8	11.62	4.92	12.53	12.53	139.57	137.79	137.65	137.38	146.54	150.05 (12/1)	136.51 (2/4)	235.08 (15/8/72)	64.25 (11/12/74)
19	Newspapers, Publishing (16)	176.68	+0.4	12.62	5.81	11.89	11.89	175.96	176.13	176.54	175.75	146.73	184.34 (11/3)	163.47 (2/1)	250.29 (18/1/72)	55.08 (6/1/75)
20	Packaging and Paper (12)	110.00	+0.5	18.67	7.11	8.07	8.08	109.46	107.01	105.98	105.13	102.98	112.50 (26/2)	104.18 (2/4)	135.69 (26/4/72)	43.46 (6/1/75)
21	Stores (34)	128.44	+0.8	11.72	5.29	13.16	13.14	127.43	124.82	125.17	123.78	129.06	136.24 (2/2)	121.50 (12/4)	204.39 (18/8/72)	52.63 (6/1/75)
22	Textiles (23)	173.29	+0.5	12.74	6.39	10.36	9.70	172.48	168.36	167.98	165.31	140.06	183.19 (30/1)	163.16 (12/4)	253.72 (17/9/69)	62.66 (11/12/74)
23	Tobaccos (3)	230.10	+1.5	18.95	6.16	8.05	8.05	226.66	222.72	221.40	218.49	186.87	236.22 (6/2)	211.56 (5/3)	339.16 (3/8/72)	94.34 (13/6/62)
24	Toys and Games (6)	74.14	+0.5	18.39	5.87	7.57	7.57	73.73	71.06	71.51	71.51	43.61	74.14 (21/4)	59.13 (22/1)	135.72 (16/1/70)	20.92 (6/1/75)
	OTHER GROUPS (96)															
25	Chemicals (26)	229.99	+0.5	11.25	4.20	12.68	12.68	228.74	224.52	224.52	222.43	164.47	229.99 (21/4)	199.45 (6/1)	229.99 (21/4/76)	71.20 (1/12/74)
26	Office Equipment (9)	99.82	+1.7	12.90	5.17	11.81	11.81	98.16	96.18	94.99	95.08	105.24	99.82 (21/4)	85.09 (2/1)	246.06 (1/8/72)	45.34 (2/1/75)
27	Shipping (12)	383.06	+1.6	18.77	6.46	6.82	6.56	376.87	374.02	372.68	371.59	383.06	442.64 (30/1)	356.52 (19/3)	517.00 (6/12/72)	90.80 (29/6/62)
28	Miscellaneous (49)	172.98	+1.5	13.47	6.16	10.94	10.93	170.37	166.96	165.95	165.02	148.14	172.98 (21/4)	156.79 (2/1)	258.83 (2/6/72)	60.39 (6/1/75)
29	INDUSTRIAL GROUP (496)	164.37	+1.1	13.41	5.39	11.00	10.93	162.56	159.51	159.46	158.12	137.57	164.37 (21/4)	152.00 (2/1)	220.17 (1/5/72)	59.01 (13/12/74)
30	OILS (4)	369.02	+0.6	11.61	4.45	9.96	9.22	366.63	361.78	361.71	360.80	248.88	369.02 (21/4)	331.34 (16/2)	431.66 (29/6/69)	87.23 (29/6/62)
31	500 SHARE INDEX	181.37	+1.0	15.15	5.25	10.83	10.65	179.50	176.29	176.24	174.91	146.85	181.37 (21/4)	157.81 (2/1)	227.95 (16/8/72)	63.49 (13/12/74)
32	FINANCIAL GROUP (100)	142.11	+1.4	—	5.13	—	—	140.21	137.63	136.98	134.76	147.98	153.46 (30/1)	132.75 (12/4)	241.41 (11/4/72)	55.88 (13/12/74)
33	Banks (6)	170.81	+1.2	17.91	4.96	8.59	8.59	168.79	164.20	163.09	160.68	163.68	192.16 (29/1)	152.93 (19/3)	288.32 (30/7/72)	62.44 (12/12/74)
34	Discount Houses (10)	165.76	—	—	7.42	—	—	165.76	161.50	160.64	156.63	165.03	186.52 (13/1)	152.20 (1/4)	293.13 (2/7/72)	81.40 (10/12/74)
35	Hire Purchase (5)	122.24	+1.4	—	5.16	—	—	120.60	117.47	118.08	116.68	152.88	132.10 (26/2)	104.50 (2/1)	433.72 (4/5/72)	38.83 (11/12/74)
36	Insurance (Life) (9)	125.23	+1.3	—	5.67	—	—	123.58	122.70	122.81	120.23	127.97	129.46 (30/1)	119.06 (22/3)	194.46 (15/3/72)	44.88 (2/1/75)
37	Insurance (Composite) (7)	114.95	+1.4	—	6.11	—	—	113.31	111.95	111.22	109.14	112.69	119.75 (30/1)	105.32 (6/1)	155.76 (21/4/72)	43.96 (13/12/74)
38	Insurance (Brokers) (9)	251.19	+1.5	8.53	3.91	17.36	17.36	247.46	245.29	243.08	238.57	191.72	251.19 (21/4)	218.26 (5/1)	262.37 (12/12/72)	65.86 (16/12/74)
39	Merchant Banks (17)	83.48	+2.0	—	6.61	—	—	81.86	80.65	80.12	78.45	94.34	93.83 (27/1)	77.94 (8/4)	278.57 (1/5/72)	31.21 (7/1/75)
40	Property (31)	168.83	+1.3	2.99	2.92	59.04	59.99	166.73	162.32	162.10	160.61	235.74	194.57 (30/1)	165.65 (12/4)	357.40 (8/11/73)	56.01 (20/4/65)
41	Miscellaneous (6)	80.63	+2.0	16.21	6.97	9.66	9.66	79.01	78.80	79.08	78.64	75.78	91.98 (3/3)	78.10 (2/4)	303.13 (18/6/72)	33.29 (17/12/74)
42	Investment Trusts (50)	165.59	+2.4	3.12	4.39	33.40	33.38	161.69	159.52	158.67	156.88	170.07	184.55 (30/1)	155.54 (2/4)	245.79 (25/4/72)	71.63 (13/12/74)
43	ALL-SHARE INDEX (650)	171.05	+1.2	—	5.19	—	—	169.07	166.07	165.85	164.31	147.45	172.64 (30/1)	160.52 (2/1)	228.18 (1/5/72)	61.92 (13/12/74)
	COMMODITY GROUPS (Not included in 500 or All-Share indices)															
44	Rubbers (9)	487.72	+4.2	12.21	6.94	12.34	12.17	468.14	461.64	461.75	461.75	474.12	487.72 (21/4)	404.67 (14/1)	555.37 (25/7/73)	84.68 (25/8/65)
45	Teas (8)	131.68	+2.7	31.99	9.00	4.24	4.10	128.22	127.73	127.53	127.53	87.12	131.68 (21/4)	117.89 (7/1)	131.68 (21/4/76)	59.72 (17/10/74)
46	Coppers (3)	223.44	+2.5	44.23	7.69	2.26	2.26	218.38	205.34	202.61	207.67	450.60	301.47 (7/1)	178.95 (6/4)	667.78 (13/7/73)	94.06 (29/4/62)
47	Mining Finance (11)	107.48	+4.4	10.84	4.61	10.44	10.44	102.95	100.88	100.88	100.34	125.17	119.77 (7/1)	86.18 (3/3)	175.90 (28/4/69)	65.31 (30/9/74)
48	Tins (8)	105.63	+0.7	11.48	8.36	12.69	12.02	104.89	105.24	106.13	106.31	94.93	106.31 (13/4)	86.09 (9/2)	125.43 (12/1/73)	54.83 (27/5/71)
49	Overseas Traders (13)	249.43	+0.4	13.43	4.14	9.77	9.75	246.48	245.31	242.28	239.31	229.40	249.43 (21/4)	229.55 (2/1)	252.23 (30/5/76)	97.37 (6/1/75)

	FIXED INTEREST	Wed. April 21 Index No.	Wed. April 21 Yield %	Tues. April 20	Thurs. April 15	Wed. April 14	Tuesday April 13	Monday April 12	Friday April 9	Thurs. April 8	Year ago (approx.)	1976 High	1976 Low	Since Compilation High	Since Compilation Low
1	Consols 2½% yield	—	13.60	13.60	13.66	13.85	14.04	14.13	14.11	14.01	15.04	—	—	—	—
2	20-yr. Govt. Stocks (6)	50.95	12.76	51.12	50.75	50.24	49.62	49.18	49.17	49.39	47.35	53.45 [illegible]	47.56 [illegible]	115.42 [illegible]	38.27 (3/1/75)
3	20-yr. Red. Deb. & Loans (15)	50.32	14.69	50.12	49.58	49.58	49.47	49.58	49.65	49.57	47.75	51.21 [illegible]	47.65 [illegible]	114.23 [illegible]	37.01 (3/1/75)
4	Investment Trust Prefs. (15)	47.90	14.45	47.67	47.85	47.85	47.85	47.85	47.85	47.85	42.83	50.53 [illegible]	46.50 [illegible]	114.41 [illegible]	34.45 [illegible]
5	Coml. and Indl. Prefs. (20)	65.81	14.55	65.71	65.81	65.36	65.56	65.63	65.68	65.89	62.10	67.86 [illegible]	62.76 [illegible]	114.56 [illegible]	[illegible]

Section or Group / Base Date / Base Value — [illegible; base dates and values of Overseas Traders, Engineering (Heavy), Engineering (General), Wines and Spirits, Toys and Games, Office Equipment, Industrial Group, Miscellaneous Financial, Food Manufacturing, Food Retailing, Insurance Brokers, Mining Finance, All Other] † Redemption yield. FT-Actuaries indices calculated by Exel Communications Limited (a member of the Exchange Telegraph Group) on an IBM 370 computer. A new list of the constituents of the FT-Actuaries Share Indices is now available from the Publishers, The Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 13p, by post 20p.

ACTIVE STOCKS

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1976 high	1976 low
BICC 'New'	Nil/pd.	13	27*	+3	28*	16*
Barclays Bank	£1	11	308	+3	350	272
Cons. Gold Fields	25p	11	180	+8	220	146
ICI	£1	11	404	—	411	334
RTZ	25p	11	236	+9	236	178
Burmah Oil	£1	10	34	—	53	31
Shell Transport	25p	10	424	+2	428	378
Beecham	25p	9	367	+2	372	339
Bowater	£1	9	224	+3	226	173
"Bats"	25p	9	378	+5	378	342
Tst. Hse. Fte. 'New'	Nil/pd.	9	9*	−½	10*	5½*
Charter Cons.	25p	8	168	+11	199	118
Metal Box	£1	8	288	+8	302	260
Rank Org.	25p	8	170	—	195	142
Royal Insurance	25p	8	332	+2	352	304

The above list of active stocks is based on the number of bargains recorded yesterday in the Official list and under Rule 163(1) (e).
* Premium.

Option Report—3-month Call rates

OPTION DEALING DATES

First Dealings	Last Dealings	Last Declaration	For Settlement
Apr. 13	Apr. 27	July 8	July 20
Apr. 28	May 10	July 22	Aug. 3
May 12	May 24	Aug. 5	Aug. 17

"Calls" were dealt in Lonrho, Berry Wiggins, Burmah Oil, RHM, Cavenham Warrants, Town and City, EMI, BET, English Property, Hestair, Christie Tyler, Serck and Charterhall Finance. A "put" was done in Dunlop, while "doubles" were arranged in Burmah Oil, Lonrho, BSG International, MEPC, Charterhall Finance and Hunting Associated.

Industrials		Guardian	20	Spillers	5	Shell	22
		G.K.N.	22	Tesco	5	Ultramar	50
A. P. Cement	15	Hawker Sidd.	35	Thorn "A"	20		
Assoc. Leisure	3	House of Fraser	8	Tube Invest.	27	Mines	
Barclays Bank	22	I.C.I.	21	Unilever	40	Anglo Amer.	50
Beecham	28	"Imps"	7	Utd. Drapery	10	Charter Cons.	16
Boots Drug	12	I.C.L.	14	Vickers	15	Chart'h'll Fin.	6
Bowaters	16	Inveresk	7	Williams Hud'n	4	Cons. Gold	15
B.A.T.	30	Legal & General	13	Woolworths	6	De Beers Def.	35
British Leyland	7	Ladbroke	11			F. S. Geduld	350
BOC Int.	5½	Lloyds Bank	22	Property		Great Boulder	12
Burton 'A'	7	"Lofs"	4	Brit. Land	4½	Hampton Areas	12
Cadburys	6	"Mams"	6	Cap Counties	3½	Hampton Prop.	4
Courtaulds	11	Marks & Sp'ncer	10	E.P.	8	Kloof	100
Debenhams	8	Midland Bank	22	Int. Europ.	7	Lonrho	12
Distillers	13	Nat'l West Bank	20	Land Securities	18	Loraine	65
Dunlop	7½	"Do" Warrants	8½	MEPC	10	Poseidon	55
Eagle Star	13	P & O Dfd.	11	Peachey	3½	Pres. Steyn	200
E.M.I.	17	Plessey	8	Town & City	3½	Rio T. Zinc	17
Gen. Accident	16	R.H.M.	6	Town & Comm.	4	Welkom	55
Gen. Electric	13	Rank Org. 'A'	18			West Areas	40
Glaxo	35	Reed Int'l	25	Oils		Western M'ng.	18
Grand Met	7	Rothmans	4	Brit. Petroleum	40		
[illegible] 'A'	17	Slater Walker	4½	Burmah Oil	7		

NEW HIGHS AND LOWS FOR 1976

Too numerous to name individually, the 147 new 1976 highs recorded among securities listed in the Share Information Service yesterday are given below in their subsections. There were 12 new lows.

NEW HIGHS (147)

AMERICANS (1)
CANADIANS (1)
BANKS (2)
BUILDINGS (5)
CHEMICALS (5)
DRAPERY & STORES (3)
ELECTRICALS (6)
ENGINEERING (26)
FOODS (8)
INDUSTRIALS (37)
INSURANCE (2)
MOTORS (5)
NEWSPAPERS (1)
PAPER & PRINTING (2)
PROPERTY (1)
SHIPPING (1)
TEXTILES (2)
TOBACCOS (3)
TRUSTS (5)
OILS (3)
OVERSEAS TRADERS (5)
RUBBERS (2)
TEAS (4)
MINES (10)

NEW LOWS (12)

BANKS (1)
Cie Bancaire
BUILDINGS (1)
UBM
ENGINEERING (1)
Carclo
INDUSTRIALS (5)
Burco Dean — Ransall
Downs Surgical — Utd. Industrial
Martin-Black — Walker Homes
Patent Ind.
TRUSTS (2)
Bridgwater — Ch. Islands Inc.

RISES AND FALLS YESTERDAY

	Up	Down	Same
British Funds	[illegible]	[illegible]	[illegible]
Corpns. Dominion and Foreign Bonds	[illegible]	[illegible]	[illegible]
Industrials	[illegible]	[illegible]	[illegible]
Financial and Prop.	[illegible]	[illegible]	[illegible]
Oils	[illegible]	[illegible]	[illegible]
Plantations	[illegible]	[illegible]	[illegible]
Mines	[illegible]	[illegible]	[illegible]
Recent Issues	[illegible]	[illegible]	[illegible]
Totals	[illegible]	[illegible]	[illegible]

MONEY MARKET

Very large assistance

Bank of England Minimum Lending Rate 9 per cent. (since March 5, 1976)

Day-to-day credit was in short supply in the London money market yesterday and the authorities gave very large assistance by buying Treasury bills from the discount houses and Corporation bills from the houses and banks. Surplus balances were carried forward by the banks but this was outweighed by, and excess of revenue payments to the Exchequer over Government disbursements, official holdings of maturing local authority bills, and settlement of gilt-edged sales.

Discount houses paid 8¼-8¾ per cent. for secured call loans in the early part, and closing balances were found within a range of 7½-9 per cent.

In the inter-bank market overnight loans opened at 8¾-8⅞ per cent. and remained within the region of 8¾-8⅞ per cent. for the most part, but rose sharply to touch 15 per cent. in places at the close.

Rates in the table below are nominal in some cases.

April 21 1976	Sterling Certificates of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House deposits	Company deposits	Discount market deposits	Treasury bills	Bank Bills	Fine trade Bills
Overnight	—	8¼-15	—	—	—	8⅞	7¾-9	[illegible]	[illegible]	[illegible]
2 days notice	—	—	8¼	—	—	—	—	[illegible]	[illegible]	[illegible]
7 days or 7 days notice	—	8⅝-8½	8¼-8½	—	—	—	8⅝-8½	[illegible]	[illegible]	[illegible]
One month	8⅝-8¼	[illegible]	8⅝-8½	9-8½	8¾-9	—	8¼	[illegible]	[illegible]	[illegible]
Two months	[illegible]	[illegible]	—	9¼-8⅝	9¾-9	—	8¼-8⅝	[illegible]	[illegible]	[illegible]
Three months	[illegible]	8⅝-8[illegible]	8¾	9¼-8¾	9⅞-9⅜	—	8⅝	[illegible]	[illegible]	[illegible]
Six months	9-8⅞	8⅞-9	9⅛-9¼	9¼-8¾	9¼-10	—	—	[illegible]	[illegible]	[illegible]
Nine months	9⅝-9½	9½-9[illegible]	—	10¼-9¾	9¾-10⅛	—	—	[illegible]	[illegible]	[illegible]
One year	[illegible]	[illegible]	10⅛	10½-10	10½-11	—	—	[illegible]	[illegible]	[illegible]
Two years	—	—	11⅛	—	—	—	—	[illegible]	[illegible]	[illegible]

* Local authority and finance houses seven days' notice, others seven days' fixed. * Longer-term local authority mortgage rate nominally three years [illegible] per cent.; four years [illegible] per cent.; five years [illegible] per cent. ♦ Bank bill rates in table are buying rates for prime paper. Buying rates for four-month bank bills [illegible] per cent.; four-month trade bills [illegible] per cent. Approximate selling rate for one-month Treasury bills [illegible] per cent.; two months [illegible] per cent.; three months [illegible] per cent. Approximate selling rate for one-month bank bills [illegible] per cent.; two-month [illegible] per cent.; and three-month [illegible] per cent.; one-month trade bills [illegible] per cent.; two-month [illegible] per cent.; and three-month [illegible] per cent.

Finance House Base Rate (published by the Finance Houses Association): 9 per cent. from April 1, 1976. Clearing Bank Deposit Rate for small sums at seven days' notice [illegible] per cent. Clearing Bank Base Rate for lending 9½ per cent. Treasury Bills: Average tender rate of discount 8.8324 per cent.

BAS[E LENDING RATES]

Allied Ir[ish] [illegible]
American [illegible]
Anglo-Po[rtuguese] [illegible]
Henry A[nsbacher] [illegible]
Banco B[ilbao] [illegible]
Bank of [illegible]
Bank of [illegible]
Banque [illegible]
Barclays [illegible]
Barnett [illegible]
Bremar [illegible]
Brit. Ban[k] [illegible]
Brown S[hipley] [illegible]
Canada P[ermanent] [illegible]
Cayzer, B[illegible]
Cedar H[illegible]
Charterb[illegible]
C. E. Co[ates] [illegible]
Consolid[ated] [illegible]
Co-opera[tive] [illegible]
Corinthi[an] [illegible]
Credit L[yonnais] [illegible]
G. R. D[illegible]
Dunbar [illegible]
Duncan [illegible]
English [illegible]
First Lo[ndon] [illegible]
Antony [Gibbs] [illegible]
Goode D[urrant] [illegible]
Greyhou[nd] [illegible]
Grindlay[s] [illegible]
Guinnes[s Mahon] [illegible]
Hambro[s] [illegible]
Hill Sam[uel] [illegible]
C. Hoare [illegible]
Julian S[illegible]
Hongkon[g] [illegible]
Industrial [illegible]
Keyser [Ullman] [illegible]
Knowsle[y] [illegible]
Lloyds [illegible]
London [illegible]
London [illegible]
Midland [illegible]
Samuel [Montagu] [illegible]
Morgan [illegible]
National [illegible]
Norther[n] [illegible]
Norwich [illegible]
Portman [illegible]
P. S. R[illegible]
Rossmin[ster] [illegible]
Schlesin[ger] [illegible]
E. S. S[illegible]
Security [illegible]
Shenley [illegible]
Standar[d] [illegible]
Trade D[evelopment] [illegible]
Twentie[th] [illegible]
United [illegible]
Whiteaw[ay] [illegible]
William[s] [illegible]
Yorkshi[re] [illegible]
■ Members [illegible] committee.
* 7-day depo[sits] [illegible]
† 7-day depo[sits] [illegible]
‡ Demand d[eposits] [illegible]
¶ Call depo[sits] [illegible]

[illegible] AND LAGGA[RDS]
[illegible]
INSU[RANCE] [illegible]
Atlantic [illegible]
Common [illegible]
Address [illegible]
Property [illegible]
TODAY [illegible]

AUTHORISED UNIT TRUSTS

G.T. Unit Managers Ltd.♥
16, St. Martins-le-Grand, EC3. 01-600 9461

G.T Cap Inc	61.3	65.2		2.70
Do Acc	70.4	74.9		2.70
G.T Inc. Fd Un.	105.2	111.9		8.80
G.T U.S. & Gen.	128.5	136.6		1.70
G.T. Japan & Gen.	192.9	205.2		0.60
♦Gt. Pens.Ex.Fd.	111.4	116.9		2.20

G. & A. Tst. (a) (G)
5 Rayleigh Rd., Brentwood. (0277) 227300

G & A	26.6	28.4	-0.3	5.09

REGIONAL MARKETS

...of the share prices previously shown under regional headings ... with quotations on London. Irish issues, most of which are not ... in London, are shown separately and with prices as on the Irish ...

		Craig Ship £1.	320	...	Shiloh Spinn	36	...	
		Hallam Sleigh 10p	8	...	Sindall (Wm.)	53	...	
19		Higsons Brew.	100	...	**IRISH**			
34		I.O.M. Sim. £1.	153					
29		Holt (Jos.) 25p	230		Alliance Gas (£1)	72	..	
148	+2	Kleen-e-Ze	19	-1	Carroll (P. J.)	128		
30		Lovell's Ship £1	80		Clondalkin	50	+2	
327		N'thn Goldsmith	90		Concrete Prods	90		
20	..	P.M.A.	50	..	Goodbody (£1)	25		
69	...	Pearce (C. H.)	80		Heiton (Hldgs.)	29	+2	
23		Peel Mills	15		Irish Distillers	54	+3	
10	...	RobbCaledon5b	44	+1	Irish Wire	40		
55	...	Sayers 12½p	14		Jacob	62		
16½		Sheffield Brick	87	...	Sunbeam	13½		
152		Sheff Refrshmt	140	...	Unidare	70		

...ERS AND LAGGARDS

...table shows the percentage changes* which have taken place since ... 1976 in the principal equity sections of the F.T.-Actuaries Share ... contains the F.T. Gold Mines Index.

...tributors	+	20.61	Textiles	+	5.73
...	+	18.65	Insurance (Life)	+	5.26
...(General)	+	17.61	Packaging and Paper	+	5.12
...	+	16.43	Building Materials	+	4.82
...	+	16.22	Stores	+	3.24
...(Durable) Group	+	16.11	Consumer Goods (Non-Durable) Group	+	3.22
...	+	15.97			
...	+	15.80	Financial Group	+	3.08
...	+	15.62	Tobacco	+	2.78
...	+	15.35	Shipping	+	2.29
...o and TV	+	15.21	Banks	+	1.91
...(Heavy)	+	14.44	Wines and Spirits	+	1.75
...ers)	+	13.08	Entertainment and Catering	+	1.64
...	+	12.13	Breweries	−	0.84
...Food	+	11.56	Food Retailing	−	2.59
...	+	10.64	Merchant Banks, Issuing Houses	−	4.04
...	+	9.39	Investment Trusts	−	4.12
...	+	9.02	Property	−	4.65
...	+	8.74	Discount Houses	−	5.30
...	+	8.48	Contracting and Construction	−	7.88
...	+	8.28	Mining Finance	−	9.02
Publishing	+	8.26	Coppers	−	16.47
...osite)	+	7.33	Gold Mines F.T.	−	34.29
...	+	6.95			
...ing	+	6.58			

* Percentage changes based on Tuesday, April 20, 1976, indices.

INSURANCE, PROPERTY, BONDS

OFFSHORE AND OVERSEAS FUNDS

NOTES

FT SHARE INFORMATION SERVICE

**BRITISH FUNDS

1976 High	1976 Low	Stock	£	+ or −	Yield Int.	Yield Red.
		"Shorts" (Lives up to Five Years)				
99½	92½	Treasury 6½pc 1976‡‡	99½		6.54	8.59
98⅝	98⅝	Victory 4pc 1976‡‡	98⅝	...	4.04	—
101½	99½	Treasury 10½pc 1976‡‡	101½	...	10.38	8.56
98½	95½	Treasury 6¼pc 1977‡‡	97½	......	6.40	9.15
97¾	95⅛	Electric 3pc 74-77	96½		3.11	7.08
103½	92½	Treasury 11½pc 77‡‡	102½	+½	11.22	9.55
94¼	91⅞	Treasury 3pc 77‡‡	94½xd		3.19	7.07
94½	92⅞	Transport 4pc 72-77	93⅞		4.26	7.98
99½	90½	Treasury 9pc 1978‡‡	98⅝	+½	9.12	9.78
101½	98½	Treasury 10½pc 78‡‡	100⅞	+½	10.41	10.02
93⅛	90⅜	Exchequer 5pc 76-78‡‡	91¼	...	5.45	8.83
103½	100¼	Treasury 11½pc 79‡‡	102¾	+½	11.19	10.35
88⅝	83⅝	Treasury 3pc 79‡‡	87½		3.45	7.35
89⅞	73⅞	Electric 4¼pc 74-79	89⅛		4.77	7.92
100½	96½	Treasury 10½pc 79‡‡	99½xd	+½	10.53	10.68
88⅛	83⅝	Electric 3½pc 76-79	88⅛xd		3.97	7.34
96½	91	Treasury 9pc 1980‡‡	95½	+½	9.46	10.56
96½	92½	Treasury 9½pc 80‡‡	95¾xd	−½	9.92	10.83
86	83½	Treasury 3½pc 77-80	85⅛	+¼	4.11	7.75
88¼	71	Funding 5¼pc 78-80‡‡	88¼	+⅛	5.95	8.67
103½	98	Treasury 11½pc 1981	102⅛	+½	11.26	10.88
86	81¼	Do. 3½% 1979-81	83		4.22	7.79
95⅝	95	Do. 9¾% 1981‡‡	95⅝	...	10.19	10.91
		Five to Fifteen Years				
93¼	86⅛	Treasury 8¼pc '80-82‡‡	93¼	...	9.34	10.62
107¼	99½	Treasury 12pc 1983‡‡	103¼	.....	11.75	11.54
80¼	73¼	Funding 5½pc '82-84‡‡	80¼	...	6.96	9.41
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Over Fifteen Years

Undated

**INTERNATIONAL BANK

**CORPORATION LOANS

COMMONWEALTH & AFRICAN LOANS

LOANS (Miscel.)

FOREIGN BONDS & RAILS

U.S. $ DM Prices exclude inv. $ premium

AMERICANS

S.E. List Premium 45⅝% (based on $1.8470 per £)

Conversion factor 0.6879 (0.6861)

CANADIANS

S.E. List Premium 45⅝% (based on $1.8130 per £)

††BANKS AND HIRE PURCHASE

Hire Purchase, etc.

BEERS, WINES AND SPIRITS

BUILDING INDUSTRY, TIMBER & ROADS

BUILDING INDUSTRY—Continued

CHEMICALS, PLASTICS

CINEMAS, THEATRES AND TV

DRAPERY AND STORES

DRAPERY AND STORES—Continued

ELECTRICAL AND RADIO

ENGINEERING, MACHINE TOOLS

ENGINEERING—Continued

FOOD, GROCERIES, ETC.

HOTELS AND CATERERS

HOTELS—Continued

INDUSTRIALS

هكذا اصل الأصل

INDUSTRIALS—Continued

[illegible]

††INSURANCE

[illegible]

MOTORS, AIRCRAFT TRADES

Motors and Cycles

[illegible]

Commercial Vehicles

[illegible]

Components

[illegible]

Garages and Distributors

[illegible]

NEWSPAPERS, PUBLISHERS

[illegible]

PAPER, PRINTING, ADVERTISING

[illegible]

PROPERTY

[illegible]

PROPERTY—Continued

[illegible]

SHIPBUILDERS, REPAIRERS

[illegible]

SHIPPING

[illegible]

SHOES AND LEATHER

[illegible]

SOUTH AFRICANS

[illegible]

TEXTILES

[illegible]

TOBACCOS

[illegible]

TRUSTS, FINANCE, LAND

Investment Trusts

[illegible]

TRUSTS—Continued

[illegible]

Finance, Land, etc.

[illegible]

OILS

[illegible]

OVERSEAS TRADERS

[illegible]

RUBBERS AND SISALS

[illegible]

TEAS

India and Bangladesh

[illegible]

Sri Lanka

[illegible]

Africa

[illegible]

MINES

CENTRAL RAND

[illegible]

EASTERN RAND

[illegible]

MINES—Continued

FAR WEST RAND

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
710	350	Blyvoor 25	500	+50	‡Q100c	1.3	‡
£14	785	Buffels R1	900	+50	Q180c	1.4	11.8
198	95	Deelkraal R0.20	128	+8	—	—	—
760	330	Doornfontein R1	400	+20	‡Q110c	1.4	‡
965	640	East Drie R1	750	+50	Q75c	1.7	5.9
280	160	Elandsr'd Gld Mng 20c	195	+5	—	—	
190	115	Elsburg R1	140	+10	Q33.8c	1.0	14.3
£16½	£11¼	Hartebeest R1	£13	+1½	Q215c	1.4	9.8
695	430	Kloof Gold R1	480	+30	Q55c	1.4	6.8
760	400	Libanon R1	470	+20	‡Q110c	1.9	‡
740	335	Southvaal 50c	435	+40	Q8c	1.3	1.1
245	140	Stilfontein 50c	178	+30	Q36c	2.2	8.7
£20½	£10¾	Vaal Reefs 50c	£15	+1	Q175c	2.1	6.9
420	190	Venterspost R1	220	+20	‡Q70c	1.9	‡
£35	£19¾	W. Drie R1	£22¼	+¾	‡Q485c	1.2	‡
315	165	W'st'rn Areas R1	210	+12	Q52c	1.4	14.7
£15¼	775	Western Deep R2	990	+70	Q147½c	1.6	8.8
290	190	Zandpan R1	220	+10	Q35¼c	1.0	9.6

O.F.S.

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
170	75	Fr. State Dev. 50c	105	+10	Q14c	1.6	7.9
£22½	£12	F.S.Geduld 50c	£14	+¼	‡Q330c	1.3	‡
120	57	F.S. Saaiplaas R1	88	+14	25c	0	4.0
465	295	Harmony 50c	385	+35	Q65c	ϕ	10.0
195	70	Loraine R1	108	+22	Q6c	0.5	3.3
£18½	950	Pres. Brand 50c	£12⅞	+⅝	‡Q250c	1.3	‡
£13	700	Pres. Steyn 50c	775	+90	‡Q125c	2.2	‡
£23	£12	St. Helena R1	£15	+1¼	‡Q250c	1.2	‡
174	86	Unisel	114	+11	—	—	—
330	220	Welkom 50c	275	+30	‡Q55c	1.7	‡
£25½	£14	W. Holdings 50c	£18	+1	‡Q475c	1.2	‡

FINANCE

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
430	315	Ang. Am. Coal 50c	430	+10	MQ38c	2.8	5.2
375	235	Ang. Amer. 10c	277	+12	Q33c	ϕ	7.1
£28¾	£17¾	Ang. Am. Gold R1	£20½	+1¼	Q260c	ϕ	7.5
£12¼	850	Ang-Vaal 50c	£11	+1	†Q95c	3.7	2.6
199	118	Charter Cons.	168	+11	†6.21	2.2	5.7
220	146	Cons. Gold Fields	180	+8	g7.37	4.3	6.3
23½	15	E. Rand Con. 10p	19	+1½	1.0	ϕ	8.1
330	185	Geduld Inv. R1	240	+20	Q40c	1.5	9.9
£25	£15½	Gen. Mining R2	£17¼	+¼	Q210c	ϕ	7.2
£22½	£14¾	G. Fields S.A. 25c	£15¾	+½	Q225c	1.3	8.4
£24	£11½	Jo'burg Cons. R2	£17	+1	Q165c	2.5	5.8
345	200	Middle Wit 25c	335	+15	†Q28c	2.0	5.0
240	168	Minorco SBD1.40	203	+13	‡Q14c	—	‡
160	85	New Wit 50c	105	+5	Q20c	1.6	11.3
£11¾	770	Patino NV Fls.5	£11	.....	QC40c	10.5	1.1
810	480	Rand Selection 50c	550	+10	Q75c	1.5	8.1
565	460	Selection Trust	565	+40	14.0	2.0	3.8
230	135	Sentrust 10c	165	+13	Q30c	1.2	10.8
62	45	Silvermines 2½p	58	+2	‡4.0	1.6	‡
140	95	SW Africa 50p	140	+10	†17.87	2.0	19.6
£12½	700	T'vaal Cons. Ld. R1	950	+75	Q65c	2.0	4.1
310	170	U.C. Invest R1	235	+15	Q36c	1.0	9.9
465	245	Union Crp. 6.25c	315	+15	Q42c	1.4	7.9
82	45	Vogels 2½c	76	+6	Q6½c	1.2	5.1

DIAMOND AND PLATINUM

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
£32½	£17½	Anglo-Am. Inv. 50c	£21½	+¼	Q244c	ϕ	7.0
105	68	Bishopsgate Pf. 10c	92	+8	†Q4.5c	ϕ	2.7
335	198	De Beers Df. 5c	219	+10	Q28c	ϕ	7.6
£14	850	Do. 40pc Pf. R5	£10	.....	Q200c	ϕ	11.8
117	69	Lydenburg 12½c	102xd	+8	†Q2.9c	1.5	1.7
188	108	Pot. Plat. 2½c	170xd	+12	†Q5c	1.0	1.7
148	90	Union Plat. 10c	132xd	+12	†Q4.96c	1.0	2.2
148	88	Waterval 5c	132xd	+10	†Q5.2c	1.0	2.2

CENTRAL AFRICAN

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
165	70	Coronation 25c	108	.....	‡Q34c	2.1	‡
127	85	Falcon Rh.50c	90	.....	†Q35c	1.3	—
42	25	Globe Phnix 12½p	26	.....	1.25	0.2	7.4
19	11	Rho.-Corp. 16⅔p	13	+1	0.56	6.0	6.6
170	135	Roan Cons. K4	145	+5	‡Q16.0	4.7	‡
175	142	Tanganyika 50p	160	+10	‡Q26	1.2	‡
68	65	Do. Pref. 80p	65	.....	Q9	18.0	11.6
48	25	Wankie Col. Rh.1	28	.....	†Q6½c	1.3	10.0
46	24	Zam.Cpr.SBD0.24	30	+1	QUS4c	3.2	6.9

AUSTRALIAN

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
26	18	Acmex 25c	24	.....	—	—	—
184	132	A. M. and S. 50c	184	+4	Q7c	ϕ	2.5
134	96	Bougainville 50c	134	+8	Q10c	ϕ	4.9
196	145	B.H. South 50c	165	+5	—	—	—
75	35	Gold M. Kalg. $1	35	.....	—	—	—
76	58	Hamptn Areas 5p	66	+2	1.18	4.2	2.8
54	38	Metals Ex. 50c	45	.....	—	—	—
20	14	Metramar 20c	15	+1	—	—	—
259	200	M.I.M. Hldgs. 50c	259	+9	‡Q10c	1.8	‡
100	70	M. Lyell 25c	85	.....	‡Q5c	2.4	‡
2½	2	Newmetal 10c	2	.....	—	—	—
169	138	North B. Hill $1	164	+8	Q9c	1.4	3.6
9	5	North Kalg. 30c	6	+½	—	—	—
74	65	Oakbridge $A1	71	+1	†Q8c	1.3	7.4
18	14	Pacific Copr. 25c	16	.....	—	—	—
£19½	725	Pancont'l 25c	875	+50	—	—	—
15	9	Paringa M&Ex.5p	11	.....	—	—	—
555	430	Peko-Walls'd 50c	550	+10	Q15c	ϕ	1.8
190	140	Poseidon 20c	170	+5	—	—	—
13	9	Vultan Min. 50c	9	.....	—	—	—
9	4	Westmex 10c	7	.....	—	—	—
172	134	W. Mining 50c	157	+3	‡Q8c	0.8	—
54	36	Whim Creek 20c	44	.....	—	—	—

TINS

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
45	28	Amal. Nigeria	28	.....	5.62	1.6	30.9
228	160	Ayer Hitam	216	.....	†13.0	1.8	9.3
27	17	Beralt Tin	25	.....	21.75	—	10.8
360	315	Berjuntai SM0.25	360	+10	‡Q$M2	ϕ	‡
16	13	Ex Lands 10p	14	.....	15	3.8	16.5
210	155	Geevor	210	+15	‡12	2.3	‡
12	10	Gold & Base 12½p	10	.....	—	—	—
210	170	Gopeng Cons.	210	+5	‡11.0	1.3	‡
72	64	Hongkong	72	+2	—	—	—
70	56	Idris 10p	66	.....	7.15	ϕ	16.9
7	6	Jantar 12½p	6	.....	—	—	—
37	31	Kamunting 15p	32	.....	‡7.0	1.2	‡
195	135	Killinghall	195	.....	Q50.0	ϕ	25.6
170	147	London Tin 20p	167	.....	ϕ7.0	1.3	6.4
212	168	Malay Dredging	205	+2	10.7	2.0	8.2
38	20	ΔPahang	26	+1	Qh2.6	ϕ	15.4
55	40	Pengkalen 10p	50	.....	7.0	1.5	21.5
112	104	Petaling SM1	108	.....	—	—	—
40	19	Saint Piran	37	+1	—	—	—
100	64	South Kinta (10p)	64	.....	‡9.5	1.5	‡
167	105	Sthn. Malayan	166	+3	10.7	0.9	10.2
37	31	Sungei Besi 20p	35	.....	‡6.0	3.0	‡
33	29	Sungei Way SM1	33	.....	ZQ10	—	5.3
48	40	Tanjong 15p	45	.....	4.0	ϕ	13.7
52	40	Tongkah Hb SM1	40	.....	Q23%	0.6	11.2
92	58	Tronoh	91	+1	4.29	ϕ	7.3

COPPER

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
70	42	Botswana RST R2	54	+4	—	—	—
335	170	Messina R0.50	260	−10	Q35c	1.9	8.0

MISCELLANEOUS

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
10	8	Burma Mine 17½p	9	.....	m0.5	—	1.5
39½	23	Charterhall 5p	26	+1½	—	—	—
880	580	Cons. Murch. 10c	830	+40	Q80c	1.8	5.7
40	28	Laurasia	32	.....	—	—	—
455	245	Northgate C$1	350	.....	Q25c	0.3	3.7
236	178	R.T.Z.	236	+9	5.42	ϕ	3.6
112	85	Sabina Inds. C$1	87	.....	—	—	—
£11⅝	£10	Tara Exptn. $1	£11½	.....	—	—	—
122	88	Yukon Cons. C$1	114	+4	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures; they are adjusted to ACT of 35 per cent. P/Es are calculated on the basis of net distribution; bracketed figures indicate 10 per cent. or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution. Yields, assuming maintenance of net dividends on current rate of ACT, are based on middle prices, are gross and allow for value of declared distributions and rights. Securities with denominations other than sterling are quoted inclusive of the investment dollar premium.

- Δ Sterling denominated securities which include investment dollar premium.
- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents.
- ϕ Figures or report awaited.
- †† Banks and Insurance: reserve allocations may preclude calculation of dividend cover.
- ø Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issues cover relates to previous dividend or forecast.
- ** Free of Stamp Duty.
- ♦ Merger bid or reorganisation in progress.
- ♣ Not comparable.
- ♠ Same interim: reduced final and/or reduced earnings indicated.
- § Based on 1973 profits.
- ‖ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ♥ Excluding a final dividend declaration.
- ✣ Regional price.
- ‖ No par value.

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. r Australian currency. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Issue price. G Assumed dividend and yield after pending scrip and/or rights issue. K Figures based on prospectus or other official estimates for 1976-77. M Figures based on prospectus or other official estimates for 1976. N Dividend and yield based on prospectus or other official estimates for 1976. Q Gross. T Figures assumed. U No significant Corporation Tax payable. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

"Recent Issues" and "Rights" Page 26

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £325 per annum for each security

FINANCIAL TIMES

Thursday April 22 1976

Retail sales fall off again

BY MICHAEL BLANDEN

RETAIL SALES in the U.K. appear to have dropped back almost to last year's depressed levels after the brief recovery in January.

During the first quarter of this year, the volume of sales was about 2 per cent. higher than in the final quarter of last year, after adjusting for the effect of price increases.

This improvement, however, owed a good deal to relatively buoyant annual sales and to the immediate impact of the relaxation of some hire purchase restrictions in the middle of December.

Little change

Since then, sales have dropped back again. For March, the Department of Industry provisionally estimates the index of retail sales volume (seasonally adjusted, 1971=100) at about 106.5.

This indicates little change from the figure of 107.1 recorded in February. During the first quarter as a whole, the level of sales was still running some 3 per cent. lower than in the previous boom period in the fourth quarter of 1974 and the first quarter of last year.

Some improvement may be expected this month as a result of the Budget cut in VAT rates on "luxury" goods from 25 per cent. to 12½ per cent. The retail trade is also looking forward to a good summer from tourist trade, with the help of the drop in the external value of sterling.

Nevertheless, the Retail Consortium, which represents the bulk of the trade, is taking a fairly gloomy view of the outlook, with real incomes still being squeezed by the pay policy as retail prices continue to increase faster than earnings.

Slow growth

A relatively slow growth in retail spending would be in line with the Budget judgment. This indicated that the main source of growth in domestic output this year would be a 9 per cent. increase in exports. Consumer spending is expected to increase only by about 1½ per cent. over the next year, possibly with the help of a modest fall in the currently high savings ratio.

In value terms—before allowing for the effect of inflation—sales in March were running 14 per cent. up on a year earlier, again maintaining the relatively lower rate of increase shown in February.

RETAIL SALES

		Volume Seasonally adjusted (1971=100)	Value Not Seasonally adjusted—Percentage change compared with a year earlier
1975	1st	111.3	+22
	2nd	108.9	+24
	3rd	105.5	+18
	4th	105.8	+15
1976	1st	107.7*	+15*
1974	Nov.	112.3	+19
	Dec.	110.5	+17
1975	Jan.	112.8	+22
	Feb.	111.6	+22
	Mar.	109.5	+21
1975	Nov.	105.2	+16
	Dec.	107.0	+15
1976	Jan.	109.8	+16
	Feb.	107.1	+14
	Mar.	106.5*	+14*

* Provisional

Investment premium rules tightened

BY MARGARET REID

A NUMBER of peole living in Britain will not in future get the valuable investment currency premium on the proceeds of selling overseas stocks and shares and property abroad, as a result of a new tightening-up of exchange control regulations from to-day.

British residents who dispose of foreign shares and property normally receive the premium, now effectively 45¼ per cent., on three-quarters of the overseas price received. The rest of the proceeds have to be sold off at the less favourable market exchange rate.

Under the changes, which the Treasury describes as "small," the premium will no longer be available on sales of stocks and shares by various classes of people, including immigrants who owned the shares before coming to Britain, if they arrived after April 22, 1974.

Other categories now excluded from the benefit of the premium will include British residents who bought the securities while working abroad for three years or more and who returned after April 22, 1974. Also, foreign currency received as commission or fees for underwriting foreign currency securities will not qualify.

The future arrangement for property will be that the sale proceeds of private houses, flats and villas abroad will still attract the premium if they were originally bought with cash acquired through the investment currency market where the premium applies. This is the pool of funds used by British people investing abroad, and to which the premium applies.

No longer

However, sale proceeds will no longer qualify for the premium if the property in question was acquired before September 3, 1939 (the day the last war started)—or before June 23, 1972, in the case of property in the overseas sterling area, which formerly included many Commonwealth countries.

Other examples where the premium will no longer be available are property acquired when the owner was a non-resident, and property acquired from a non-resident by inheritance before April 7, 1965. (Property obtained in this latter way after that date is already excluded.)

At the same time, the Bank of England has codified and re-issued in slightly altered form, a limited range of new exchange control instructions to the banks, some of which delegate powers to deal with individual cases, particularly where emigration from Britain is concerned.

Delegated authority is also being given to the banks to approve accounts for collecting foreign currency received in certain fees, investment income and proceeds of export and merchanting business.

The new regulations have been in preparation for many months and have not been prompted by the recent weakness of sterling. They are partly designed to prevent certain British residents who acquired foreign assets without paying the premium from enjoying what is seen as the "bonus" of a premium on proceeds of selling them.

The changes increasing banks' delegated powers are regarded as a tidying-up operation to simplify the administration of the exchange control.

Ennals refuses to yield as doctors plan strike

BY DONALD MACLEAN

STRIKE ACTION by doctors to-day and to-morrow in the Oxford region has once again raised the possibility of a head on collision between the medical profession and the Government over the future of private practice within the National Health Service.

The doctors' moves brought a quick counter-attack from the General and Municipal Workers Union staff at the Royal Berkshire Hospital, Reading, which has been close to the centre of the doctors' movement in the Oxford region. This covers hospitals in Berkshire, Northants, Buckinghamshire and Oxfordshire.

A spokesman for 700 workers in the union at the Royal Berkshire and Battle hospitals said: "We will be boycotting private patients" from to-day until the end of the month. The union covers porters, cleaners, cooks and maintenance staff. Other health service unions, he added, were supporting the action. "There is going to be almost a shut-down." There would be no food, cleaning or portering for private patients, except in emergency cases.

Mr David Ennals, the newly appointed Secretary for Social Services, said that strike action by the doctors would not alter the Government's determination to carry through the basic principles of such change.

The growing militancy among doctors is reflected in a call from the Hospital Consultants and Specialists Association and from the Junior Hospital Doctors Association for a lobbying of Members of Parliament on Tuesday, when the separation Bill is due to receive its second reading. The lobbying will mean that in the North West Thames region, in which certain hospitals are playing a leading role, there will be, it seemed last night, cancellations of some routine wards rounds, some non-urgent surgery and some outpatients' consultations.

In protest

Senior doctors in the Oxford region are to strike to-day and to-morrow in protest against the Government plans, and also in protest against the way in which the British Medical Association conducted its recent ballot of consultants on the private beds issue.

A feature of the action by Oxford doctors is that it is being taken spontaneously, without the leadership of the established doctors' representative organisations and to some extent, with the opposition of such groups on tactical grounds. Similar action by junior doctors in the autumn over the question of overtime pay led to official industrial action.

The Oxford regional strike follows a similar move in the Buckinghamshire area of the region last week, which involved some 30 consultants. It seemed possible last night that around 120 consultants might be on strike across the region to-day and to-morrow.

The protest is limited in that it covers essentially the three specialities of surgery, gynaecology and anaesthetics. General physicians are not directly included, although some may choose to take part.

The Oxford initiative is one that doctors around the country will study closely. Widespread dissatisfaction over the Government's legislative plans is beginning to come to a head following the publication last week of the Government Bill for separating private practice from the NHS.

For instance, a mass meeting of doctors is planned in Birmingham for Monday, a day on which members of a number of professions, including doctors, lawyers and architects are to meet in Newcastle. The Bill will be discussed to-morrow by North-west region doctors in Bolton.

The Oxford approach is that emergencies should be dealt with, and that patients already undergoing treatment should continue to receive attention.

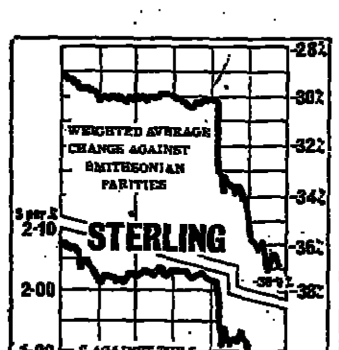
Pound continues to fall

STERLING fell yesterday afternoon, following dealers' initial reaction to the Scottish TUC's rejection of the Government's call for a 3 per cent. pay limit in the next round of wage negotiations.

Trading has remained very thin since the Easter holiday, however, and if any assistance was given by the Bank of England yesterday, it was on a very small scale. After holding steady at around 1.8470 against the dollar for most of the day, the pound touched a worse level of 1.84 in the late afternoon, and closed at 1.8415, a fall of 70 points on the day, and a loss of 1.15 cents since the holiday.

Sterling's depreciation, as calculated by the Bank, widened to 36.9 per cent., after staying at the overnight level of 36.7 per cent. during the earlier part of the day.

The pound has suffered this week from unexpected selling in a generally thin market, which has tended to ignore the more hopeful trade figures and statistics on inflation published last week.



U.S. rubber workers strike after breakdown of contract talks

BY STEWART FLEMING

NEW YORK, April 21.

PICKETING members of the United Rubber Workers' union to-day brought production at the plants of the country's four main independent tyre manufacturers to a halt following a decision to strike taken shortly after midnight.

The strike decision followed a breakdown in negotiations about a new three-year contract for the 60,000 members and the expiry of the old contract.

Union pickets prevented salaried as well as non-salaried employees from entering factories.

Although the union has concentrated negotiations on one of the companies, Firestone Tire and Rubber, the strike and picket action has been taken against the other three major tyre manufacturers too: Goodyear Tire and Rubber, B. F. Goodrich and Uniroyal.

The manufacturers responded abruptly to the determined picketing by seeking a court injunction which would allow salaried staff to resume work.

News of the strike brought an immediate reaction from the main car manufacturers.

The car industry in the U.S. has been experiencing a strong recovery in demand and profitability which has been a major factor behind the resurgence of the domestic economy.

Chrysler, for example, said that it would begin the selected suspenson of production of certain models within three to five days if the strike continued.

Chrysler, Ford and General Motors, claimed that they had about 30 days' supply of tyres but a GM spokesman gave a warning that the company could run short of rubber-based parts and that could halt production quickly. It is accepted that whatever the position of individual companies, a protracted strike would bring car manufacturers to a halt.

Union efforts

The negotiations about a new contract have been underway for several days with the union side deciding to centre its efforts on the Firestone company in the hope of getting an acceptable agreement which the other companies would feel obliged to follow. Subsidiary negotiations, however, have been continuing with the other companies too.

Early this morning Firestone released terms of its offer to the unions but not in detail. The company suggested the offer would give rubber workers $1.15 an hour extra over the three-year period and an unrestricted cost of living element to protect employees against inflation.

Later, the president of the rubber workers, Mr. Peter Bommarito, claimed that the crucial cost of living clause was a deception on the grounds that it was not as the company had claimed.

He added that the union's feet were "not buried in cement" on its claim for a wage increase totalling $1.65 an hour in the first year alone and $2 an hour for skilled tradesmen.

Talks were due to resume in Cleveland this afternoon with the advisory committee containing union and company representatives from all the four major producers.

This followed the intervention of the Federal Mediation Service earlier in the day. It is believed that the strike has quickly been brought to the personal attention of the Labour Secretary, Mr. W. J. Usery, who earlier this month intervened in the Teamsters' strike in an attempt to reach an early settlement.

Rubber Prices Page 31

SIR CHARLES FORTE: not to subscribe.

Allied turns down share of THF rights issue

By Margaret Reid

ALLIED BREWERIES, one of Britain's major drinks groups, has decided not to take up shares offered under a rights issue by Trust Houses Forte, the major hotels group in which it has a large share stake as a legacy of an abortive takeover bid in 1972.

The rights to the new shares in question, which would have cost Allied some £3.8m., have been sold off through the stock market. The result is that Allied's interest in THF, which has remained at around 26 per cent. since the bid battle, will now fall to some 21.6 per cent.

The decision, which Allied's chairman, Mr. Keith Showering, said was taken on "normal investment criteria," is not, however, to be taken as pointing to a loss of interest by the brewery group in an ultimate get-together with THF.

Mr. Derrick Holden-Brown, Allied's vice-chairman, said last night: "Our philosophy has not changed. We still think it makes sense and we would welcome the opportunity, on the right conditions, and given agreement, to carry out a merger."

Commenting further on the decision not to buy the new shares, Mr. Showering also said that a number of things, including what was likely to happen to sterling, had been factors.

This is believed to be an allusion to the substantial amount of foreign currency loans which THF has raised, the repayment and servicing of which, in sterling terms, have become more costly with the fall in the pound.

It was also confirmed yesterday that Sir Charles Forte, THF chairman, and his immediate family, who have hitherto owned just over 16 per cent. of the THF equity through their holding of 13½m. shares, are not to subscribe for the new shares offered them.

Rights to their allotment of additional shares have been disposed of by a placing with institutional investors. It is understood that the new holders, both of these rights and of those disposed of by Allied, intend to subscribe for the shares in question. This fact improves the prospects for a successful outcome of the issue.

The cost to the Forte family of taking up its full allotment would have been some £1.18m.

Last night, the premium on the rights to the new THF shares was ½p lower at 9p. THF shares were 2p up at 108p and those of Allied 1½p higher at 66p.

Continued from Page 1

Boost for Labour

and the general and municipal workers.

The resolution from the Scottish miners sought rejection of any form of wage freezing or restraint and a return to free collective bargaining. It asserted that the Government's present economic policies had failed.

Mr. McGahey, who is the Scottish miners' president and chairman of the British Communist Party, warned against "blind loyalty" to a Labour Government. Far from being anti-Government, he claimed his resolution would regenerate the Labour movement in its fight against the Conservatives.

With concern

Mr. Alan Fisher, general secretary of the National Union of Public Employees, agreed. Trade unionists watched with concern, he said, as unemployment rose, real wages declined, the value of the pound fell and public expenditure was cut. More radical policies were needed.

He added: "I only hope that the policies of the present Government will not lead to a mass loss of confidence by our Labour movement."

Mr. Charles Donnet, national industrial officer of the GMWU, declared: "It is misleading, if not dishonest, to say that we can plan production, investment and economic expansion and leave incomes to sink or swim. We should condemn the stand-and-deliver tendencies in ourselves as much as we condemn them in others. The fact is that free collective bargaining is and always has been a myth for millions of workers in this country."

Successful

Mr. Bill Sirs, general secretary of the Iron and Steel Trades Confederation, said the Government had been successful in lowering the rate of inflation—"We have got away from the threat of becoming a banana republic"—but added that a further period of pay restraint was still needed.

The conference also carried overwhelmingly a general council resolution which merely registered its concern at the Government's Budget proposals for tax concessions to secure trade union agreement on incomes policy.

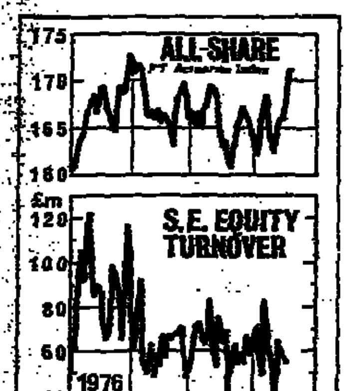
It declared that the proposed 3 per cent. pay limit was "inadequate and unacceptable" because it failed to take account of the rising cost of living and of wage differentials.

THE LEX COLUMN

Accelerating tre at Unilever

The 30 Share Index yesterday squeaked over the top of a 30 point trading range in which it has been trapped for the last 12 weeks, and joined the 500 Share Index in new high ground. The All-Share, held back by the marked weakness of a number of the financials, is still a little below its high and overall volume is much lower than it was at the end of January. In addition, the yield gap has widened—with the Government Securities Index still 3 per cent. off the top—and large rights issues are likely to reappear in the immediate future. Yet the underlying tone of the market certainly seems firm at the moment.

Index rose 4.8 to 419.6



Unilever

Unilever's accounts show that Europe as a whole still accounts for nearly three-quarters of capital employed, and that pre-interest returns on average capital here fell from over 20 per cent. in 1973 to 11 per cent. in 1975. This gives some impression of the scope for substantially larger profits this year. Another reason for expecting a big rise in the reported figures is that Unilever expects its key commodity costs to be relatively steady in the coming months, in contrast to the early part of last year when it was hit by stock losses. Evidence for this is the fact that on a CCA basis, 1975's operating profits would have required almost no cost of sales adjustment, and as a result would have only been about 15 per cent. lower.

Stock levels are still being held down and net liquid funds—up by over £200m. last year—are continuing to rise. That could start to change by the third quarter and by that time the underlying growth trends should be getting rather clearer. On the evidence so far, however, a profits rise of perhaps a half to roughly £500m. pre-tax seems within range this year. So although the shares at an all-time high of 466p only offer a current yield of about 3¼ per cent., the prospective p/e could be less than 8.

Delta Metal

Delta Metal's 1975 profits are £14.7m. lower at £11.6m. pre-tax and the dividend is uncovered—but the group is talking about an "appreciably" higher total this year. The recovery started towards the end of 1975 with an advance from £4.5m. to £7.1m. between the two halves and the pattern is similar to that at IMI. There was no real change in volume but the benefits started coming through from a reduction of the break-even level. The group was only working at about 50 to 60 per cent. of capacity in the "semis" area, where pre-interest profits in the U.K. are over £9m. down at £640,000, though the cables and electrical interests have been more resilient.

Demand has not picked up very much in the U.K. so far this year with the main upturn expected in the second half. This is also likely to bring heavy cash calls as a sustained £100 a tonne increase in the cost of copper would suck in an extra £4m. to £5m.—and the price has already risen by £280 this year. But the group started 1976 with a strong balance sheet with £93.4m. of equity and £63.5m. of net debt and it does not expect a complete reversal of last year's £14.5m. drop in working capital. There is still likely to be a cash outflow despite a sharp rise in internally generated funds. Yet the market is expecting at least £20m. pre-tax in 1976, so a capitalisation of £96m. at 72p is not relying too much on a yield of 9 per cent.

Delta has also included full CCA accounts, showing a drop to just £520,000 before £13.6m. of holding gains. Last year was exceptional, and in 1974 the drop would have been from £26.3m. to £16.3m. — perhaps a smaller decline than m expected but the already segreg. profits or losses.

Tube Investi

Tube Investm are not likely to capitalisation o: fifth this year, that profits for 1976 are going underline the sc as the year pro overseas. Most c still point to c change in earni

Stock profits were lower at a year so the grou this division—a for just over ha profits—is exp strength of the tion business pl overseas. Stee the U.K. (inc rose by two-th £8½m. before in presumably inf rency gains. C side could fall quarter this y has the overse there are hopef like cycles and ances. Meanw debt is down worth, and a 6. is solidly cover

Allied/THI

Allied Brewe all taking up it Houses Forte this does not r in the underl its stake: a re to just under 2 hardly affect th agreed deal. T by Allied, wh liquidity posit £3.8m. for sh yield of immediate pro

The rights s market a few placed, and th both by Allied family in its s not more than a below last premium of seems bound t scribed when Friday, but holders will nc action of two not taking up t

Weather

U.K. TO-DAY

Mainly dry.

N. E. England, E. Scotland
Mainly cloudy, drizzle, hill, coastal fog

Cent. and W. Scotland, N. Ireland, N.W. England
Dry, sunny, cold near east coast England and Scotland; in W. warm.

S.E. England, East Anglia, E. England
Dry, occasional sunshine; wind E. moderate or fresh. Max. 12C (54F).

Midlands, Channel Islands, Wales, London, Cent. and S.W. England
Cloudy; bright intervals; wind moderate or fresh; warm. Max. 15C (59F).

Borders, Edinburgh, Dundee, N.E. Scotland
Cloudy, drizzle, hill and coast fog. Wind E. or N.E., light or moderate. Max. 12C (54F).

Lighting-up: London 20.38; Manchester 20.52; Glasgow 21.07; Belfast 21.11.

BUSINESS CENTRES

		Y'day mid-day °C	°F			Y'day mid-day °C	°F
Amsterdm.	C	8	46	Madrid	F	16	61
Athens	F	18	64	Manchstr.	F	13	55
Barcelona	F	18	64	Melbourne	R	19	66
Beirut	C	19	66	Milan	S	21	70
Belfast	S	14	57	Montreal	C	17	63
Belgrade	S	20	68	Moscow	S	9	48
Berlin	C	9	48	Munich	F	16	61
Birmnhm.	C	8	46	Newcastle	C	9	48
Bristol	S	13	55	New York	S	24	75
Brussels	C	9	48	Oslo	S	8	46
Budapest	S	17	63	Paris	S	19	66
B. Aires	C	15	59	Perth	S	28	82
Cairo	S	26	78	Prague	S	15	59
Cardiff	S	14	57	Reykjavik	C	8	46
Cologne	S	10	50	Rio de J'o	S	29	84
Copnhagn.	C	8	46	Rome	F	17	63
Dublin	S	11	52	Singapore	S	30	86
Edinb'rgh	C	7	45	Stockholm	C	8	46
Frankfurt	S	13	55	Strasb'rg	S	17	63
Geneva	S	17	63	Sydney	S	23	73
Glasgow	C	8	46	Tehran	S	20	68
Helsinki	C	2	36	Tel Aviv	S	21	70
H. Kong	S	23	73	Tokyo	C	21	70
Jo'burg	S	28	82	Toronto	C	16	61
Lisbon	C	14	57	Vienna	S	16	61
London	S	15	59	Warsaw	C	8	46
Luxemb'g	S	17	63	Zurich	S	17	63

HOLIDAY RESORTS

Ajaccio	C	17	63	Jersey	S	12	54
Algiers	S	19	66	Las Plms.	S	19	66
Biarritz	F	19	66	Locarno	F	20	68
Blackpool	F	13	55	Majorca	S	18	64
Bordeaux	F	20	68	Malaga	S	18	64
Boulogne	C	7	45	Malta	C	17	63
Casablnca.	F	18	64	Nairobi	S	24	75
Cape Town	C	21	70	Naples	F	16	61
Corfu	C	18	64	Nassau	C	24	75
Dubrovnik	F	18	64	Nice	F	20	68
Faro	F	17	63	Nicosia	F	19	66
Florence	F	22	72	Oporto	C	16	61
Funchal	C	16	61	Rhodes	F	18	64
Gibraltar	F	17	63	Salzburg	S	17	63
Guernsey	S	10	50	Tangier	F	18	64
Innsbruck	C	17	63	Tenerife	S	17	63
Inverness	C	7	45	Tunis	C	19	66
Isle of Man	F	9	48	Valencia	S	21	70
Istanbul	F	16	61	Venice	S	21	70

C—Cloudy. S—Sunny. F—Fair. R—Rain.

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